

JUG 2010

NEW LEFT REVIEW

Gavan McCormack *Obama vs Okinawa*

Mark Elvin *Concepts of Nature*

Slavoj Žižek *Storm over the Eurozone*

Fredric Jameson *Global Wagner*

Sabry Hafez *Cairo Chronicles*

Gregor McLennan *Eagleton and God*

Jacob Collins *Imaginary Fraternities*

Adolfo Gilly *Genealogies of Rebellion*

Michael Hardt *Late Foucault*

Peter Nolan & Jin Zhang
Multinationals after the Crash

EDITOR: Susan Watkins

EDITORIAL COMMITTEE: Tariq Ali, Perry Anderson, Gopal Balakrishnan, Emilie Bickerton, Robin Blackburn, Robert Brenner, Malcolm Bull, Mike Davis, Tom Mertes, Francis Mulhern, Julian Stallabrass, Jacob Stevens, Tony Wood, JoAnn Wypijewski

DEPUTY EDITOR: Tony Wood

PUBLISHING DIRECTOR: Kheya Bag

SUBSCRIPTIONS DIRECTOR: Johanna Zhang

ASSISTANT EDITOR: Kenta Tsuda

ONLINE PUBLISHER: Rob Lucas

INTERN: Solomon Adler

ADDRESS: New Left Review, 6 Meard Street, London W1F 0EG

TEL: +44 (0)20 7734 8830; fax: +44 (0)20 7439 3869

EMAIL: mail@newleftreview.org; editorial@newleftreview.org

WEBSITE: www.newleftreview.org

SUBSCRIPTIONS: tel: +44 (0)20 7434 1210; fax: +44 (0)20 7439 3869

EMAIL: subs@newleftreview.org

ANNUAL SUBSCRIPTION WITH ONLINE ARCHIVE ACCESS

INDIVIDUAL

£34/\$60/€52 (surface), £44/\$75/€67 (airmail)

STUDENT RATE

£24/\$40/€36 (proof required)

INSTITUTIONS

£215/\$400/€315 (surface), £225/\$420/€330 (airmail)

NON OECD INSTITUTIONS

£105/\$195/€145 (surface), £115/\$215/€160 (airmail)

SINGLE ISSUES

£35/\$60/€50 (institutions), £7/\$12/€10 (individuals)

PUBLISHED BY: New Left Review Ltd (ISSN 0028-6060). World Copyright © 2010, New Left Review. Published six times a year in January, March, May, July, September and November. UK DISTRIBUTOR: Central Books, London. US DISTRIBUTORS: Ingram Periodicals, La Vergne, TN. Ubiquity, Brooklyn, NY. US POSTAGE: Periodicals postage paid at Rahway, NJ. US AGENT: Mercury International, 365 Blair Road, Avenel, NJ 07001. US POSTMASTER: Send address corrections to New Left Review, 365 Blair Road, Avenel, NJ 07001.

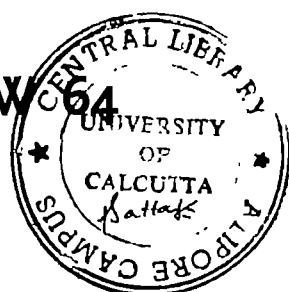
PRINTED BY: Bell & Bain, Glasgow

DESIGNED BY: Peter Campbell

NEW LEFT REVIEW 64

SECOND SERIES

JULY AUG 2010



46

	ARTICLE	
GAVAN MCCORMACK	Obama vs Okinawa	5

	INTERVIEW	
ADOLFO GILLY	Rebel Worlds	29

	ARTICLES	
SABRY HAFEZ	The New Egyptian Novel	47
MARK ELVIN	Concepts of Nature	65
SLAVOJ ŽIŽEK	Economic Emergency	85
PETER NOLAN & JIN ZHANG	Multinational Rivals	97
FREDRIC JAMESON	<i>Regieoper</i> , or Eurotrash?	III

	REVIEWS	
JACOB COLLINS	Imagined Fraternities	131
GREGOR MCLENNAN	Mr Love and Justice	139
MICHAEL HARDT	Militant Life	151

PROGRAMME NOTES

KP2835

GAVAN MCCORMACK: Obama vs Okinawa

Practical lessons in world hegemony, as Japan's attempt to strike an independent course is cut down by the Obama Administration. For the islanders of Okinawa, another chapter in a centuries-old tale of military occupation.

ADOLFO GILLY: 'What Exists Cannot Be True'

The Argentinian historian of the Mexican Revolution recalls his life as a roving agitator. Worlds of rebel workers, from the *barrios* of Buenos Aires to the Bolivian *altiplano* and Guatemalan jungle, Lecumberri Prison to the streets of Paris and Rome.

SABRY HAFEZ: The New Egyptian Novel

The slums of Cairo find their homology in a new genre of narrative fiction, argues Sabry Hafez. Striking formal innovations of a generation raised under the asphyxiating rule of the Mubarak dictatorship.

MARK ELVIN: Concepts of Nature

Landscapes of Ausonius, mountain retreats of Xie Tiao, mediaeval paradise-gardens: can underlying similarities of deep structure and social function be traced in the work of classical European and Chinese writers? A panoramic cross-cultural comparison of approaches to the natural world.

SLAVOJ ŽIŽEK: A Permanent Economic Emergency

As the Eurozone's sovereign-debt crisis deepens, Slavoj Žižek calls for an internationalist response that would transcend the defence of a failing status quo, to invent new transitional strategies.

PETER NOLAN & JIN ZHANG: Multinational Rivals

China's largest firms remain small fry by comparison to Western MNCs. As the tectonic plates of the world economy shift, a sober assessment of its persistent asymmetries.

FREDRIC JAMESON: *Regieoper*, or Eurotrash?

Opera has been globalized, and big-bang productions of Wagner's music-dramas now outnumber those of all other works. How to frame an aesthetics for this cultural-historical phenomenon—allegorical ideogram strings, or *Gesamtkunstwerk* as vaudeville?

BOOK REVIEWS

JACOB COLLINS on Régis Debray, *Le moment fraternité*. Reimagining the third figure of the republican trinity in the age of the videosphere.

GREGOR MCLENNAN on Terry Eagleton, *Trouble with Strangers and Reason, Faith, and Revolution*. Lacan enlisted on the side of Jesus, for an ethics of revolutionary goodness.

MICHAEL HARDT on Michel Foucault, *Le gouvernement de soi et des autres* and *Le courage de la vérité*. Parting words from the Collège de France on life as the scandal of truth.

CONTRIBUTORS

JACOB COLLINS: *studies history at UCLA*

MARK ELVIN: *emeritus at ANU and Heidelberg; The Retreat of the Elephants was published in 2004; see also NLR 52*

ADOLFO GILLY: *The Mexican Revolution was re-issued in 2005*

SABRY HAFEZ: *teaches Arabic literature at Qatar University and SOAS; The Quest for Identities was published in 2007; see also NLR 5 and 37*

MICHAEL HARDT: *co-author of Empire and Multitude; Commonwealth was published in 2009; see also NLR 14 and 48*

FREDRIC JAMESON: *most recent books: Valences of the Dialectic (2009), The Hegel Variations (2010); see also NLR 4, 21, 23, 25, 55 and 58*

GAVAN MCCORMACK: *author of Client State: Japan in the American Embrace (2007); see also NLR 7, 13, 18, 29 and 35*

GREGOR MCLENNAN: *at the University of Bristol; author of Sociological Cultural Studies (2006); see also NLR 52 and 60*

PETER NOLAN: *teaches development studies at Cambridge; Crossroads: The End of Wild Capitalism was published in 2009*

JIN ZHANG: *teaches international business at Cambridge; author of Catch-up and Competitiveness in China (2004)*

SLAVOJ ŽIŽEK: *latest books: First as Tragedy, Then as Farce (2009) and Living in End Times (2010); see also NLR 2, 25, 34 and 57*

OBAMA vs OKINAWA

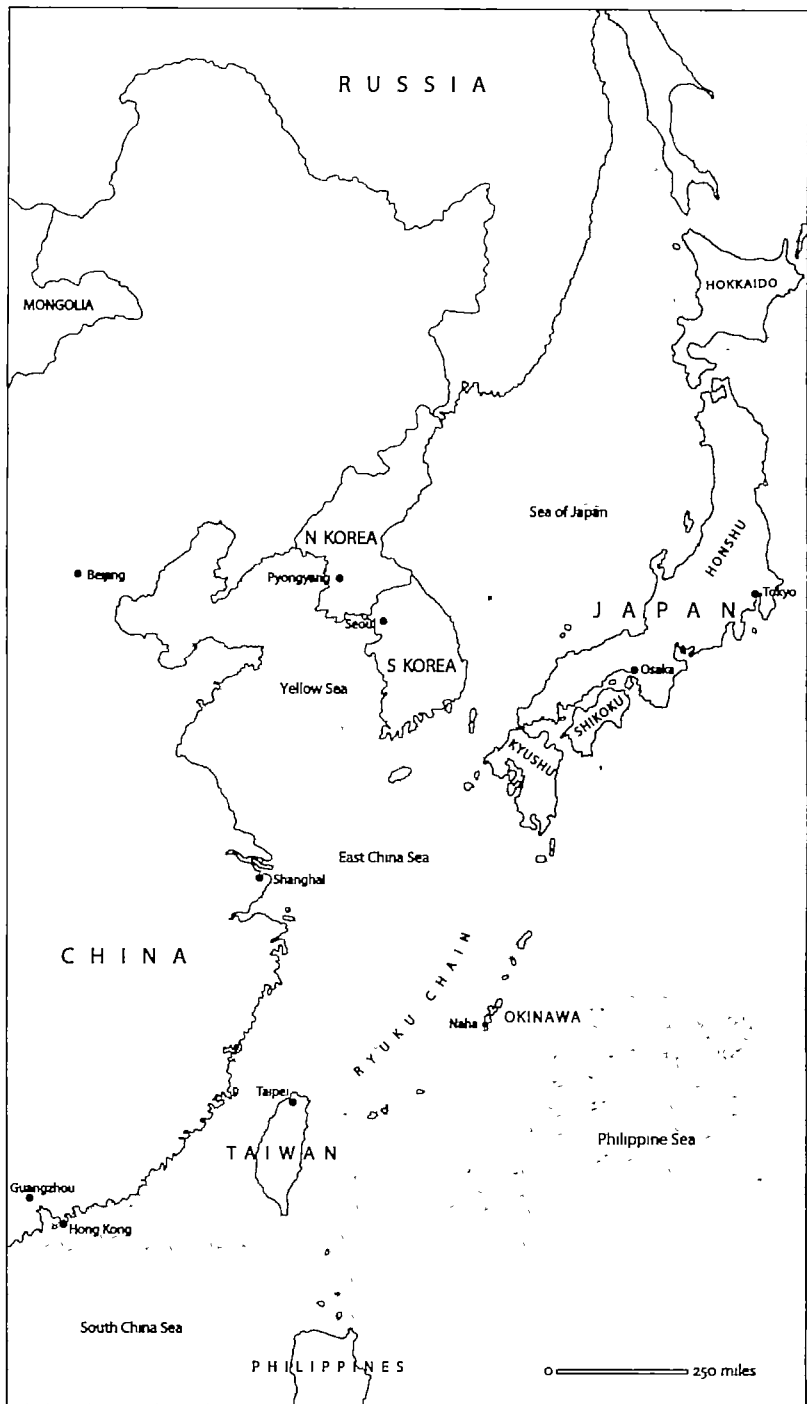
FOR THOSE PONDERING the decline of American hegemony and rise of East Asia, recent events in Japan offer food for thought. In August 2009 the centre-left Democratic Party of Japan won a landslide election victory with a swing of over 11 per cent against the Liberal Democratic Party which had ruled almost continuously since 1955. Hatoyama Yukio, the new Prime Minister, had set out a new course for the country. 'As a result of the failure of the Iraq war and the financial crisis, the era of US-led globalization is coming to an end', he argued. 'We are moving towards an era of multipolarity':

The recent economic crisis resulted from a way of thinking based on the idea that American-style free-market economics represents a universal and ideal economic order, and that all countries should modify the traditions and regulations governing their economies in line with global (or rather American) standards. But globalization has progressed without any regard for non-economic values, or for environmental issues or problems of resource restriction.

The financial crisis, Hatoyama continued, 'has also raised doubts about the permanence of the dollar as the key global currency'. In this context, Japan 'must not forget our identity as a nation located in Asia':

I believe that the East Asian region, which is showing increasing vitality, must be recognized as Japan's basic sphere of being . . . We should aspire to move toward regional currency integration as a natural extension of the rapid economic growth . . . We must spare no effort to build the permanent security frameworks essential to underpinning currency integration.¹

Hatoyama spoke of working towards an autonomous East Asian Community, based on his notion of fraternity—*yuai*—as 'a strong, combative concept', and towards a 'more equal' relationship with Washington.² His party's pre-election pledges included a democratization of Japan's governmental process: instead of permanent civil servants setting agendas for ministers to ratify, elected representatives themselves would



establish priorities and take decisions. There would be greater devolution of government power to the local prefectures.

The DPJ is more of a broad umbrella grouping than a party. Founded in 1998, its adherents range from neo-liberal 'modernizers', represented by Hirano, Okada and Kitazawa, to a social-democratic Manifesto group, focused on education, welfare and poverty; it is supported by the 6-million-strong Rengo trade-union bloc and by a layer of independent-minded intellectuals.³ In 2003, the DPJ was decisively strengthened by fusion with Ozawa Ichiro's Liberal Party. As leader of the DPJ from 2007 until May 2009, Ozawa gave shape and force to what had been a rather vague foreign-policy agenda: fighting tooth-and-nail in the Diet against the extension of Japan's Indian Ocean re-fuelling mission for US forces in Afghanistan and against the plan for a new American military base on the far-south Japanese island of Okinawa.

Ozawa is that rare Japanese politician, an effective operator with a shrewd sense of both strategy and tactics. Born in 1942, the son of an Iwate businessman, he was a rising star of one of the key LDP factions in the 1970s and 80s, having taken over his late father's seat in the Diet. He became the Party's General Secretary in 1989. Four years later, with his factional enemies closing in, he confounded them by leading a split that ousted the LDP from power for the first time since 1955. Ozawa was a key behind-the-scenes figure in the short-lived anti-LDP government of 1993. If he has asserted a consistent principle since then, it is that Japan should become a 'normal' sovereign state, able to determine its own foreign policy. After a chill encounter with Secretary of State Hillary Clinton in February 2009, when the two did not see eye-to-eye on the new US base on Okinawa, a vicious media campaign erupted against him based on an ancient corruption charge. As a result, Ozawa stepped down as

¹ Hatoyama Yukio, 'A New Path for Japan', *New York Times*, 27 August 2009.

² Born in 1947, Hatoyama is a scion of a famous Tokyo political family: his great-grandfather was Speaker of the Diet in the Meiji era, his grandfather Prime Minister in the 1950s, his father Foreign Minister in the 1970s. He took a Stanford PhD in engineering in 1976 and was elected as an LDP member of the Lower House in 1986, quitting the Party in 1993 and sitting as a member of various small groupings. He was a founder of the DPJ in 1998.

³ In the early 2000s the DPJ received a degree of support from the business federation, Keidanren, though only around \$1m, compared to \$22m for the LDP. From 2005 Keidanren reverted to sole support for the LDP. It was highly critical of the DPJ's labour policy after Ozawa took over as party leader in 2007.

the DPJ's parliamentary leader in favour of Hatoyama. But as General Secretary he remained its key strategist and 'shadow shogun'.

Ozawa positioned the DPJ as the champion of those alienated by Koizumi's fervent neo-liberalism and pro-Bush war policy, and hurting from the deep post-2008 recession. He tapped widespread disgust, not least in the rural peripheries, at the LDP's corruption and incompetence under Koizumi's three short-lived successors, Abe, Fukuda and Aso. In the August election, the DPJ swept 47 per cent of the vote in single-seat constituencies and 42 per cent of the proportional-bloc vote, compared to the LDP's respective 38 per cent and 27 per cent. The DPJ emerged with 308 seats in the Diet's Lower House, against 119 for the LDP. It won overwhelming support in Okinawa. In alliance with the centre-left Social-Democratic Party, the Hatoyama government had the majority necessary to push its radical programme through, over-riding any LDP opposition in the Upper House.

'Top-down leadership'

The first reaction in Washington was astonishment that, as one old 'Japan hand' put it, the DPJ 'seems to really mean' its radical agenda.⁴ The Hatoyama government refused to accept the agreement for a new Marine Corps Air Station at Henoko, Okinawa, that the Obama Administration and the lame-duck Aso government had pushed through three months before the election.⁵ It threatened to cut the \$4 billion annual 'host nation support' fee that Japan paid towards the cost of the US bases on its territory. It wanted a greater say in criminal jurisdiction over American soldiers on its soil, in defiance of the Status of Forces clauses in the 1960 US-Japan Security Treaty. It announced point-blank that it would

⁴ Ambassador Rust Denning, speaking at a Brookings Institution briefing before Obama's APEC visit: 'Obama Goes to Asia: Understanding the President's Trip', Washington, DC 6 November 2009, p. 38.

⁵ In February 2009 Secretary of State Clinton signed an agreement with the Aso government, which pledged Japan to build the new base at Henoko by 2014, to which most of the Futenma-based Marines would relocate. Japan would also pay \$6bn towards building a new base on Guam, to which some fraction of the Futenma Marines would move. Presented as though it were a significant US withdrawal from Okinawa, the misleadingly titled 'Guam International Agreement' was actually a design to expand the American presence there and increase Japan's military contribution to the alliance. In May 2009 Aso rammed it through the Diet as an international treaty, in such a way as to bind the prospective DPJ government then waiting in the wings.

end the Indian Ocean re-fuelling mission for US forces in Afghanistan. DPJ Foreign Minister Okada Katsuya told foreign journalists in August 2009 that it would be 'very pathetic' for Japan as a sovereign nation 'just to follow what the US says'. In mid-October he reiterated to the *Okinawa Times* that 'the will of the people of Okinawa and the will of the people of Japan was expressed in the elections', adding: 'I don't think we will act simply by accepting what the US tells us.'⁶ At a tri-lateral meeting in Beijing in early October 2009, Hatoyama told Wen Jiabao and Lee Myung-bak, 'It could be said that Japan has so far depended on the US too much.'⁷ Ozawa was planning to create a National Strategy Bureau to develop government policy, directly under the Prime Minister—cutting out permanent officials of the strategic ministries.⁸

American officials frankly confessed their displeasure. Sidelining the bureaucrats in Tokyo's Foreign and Defence Ministries was causing 'confusion':

Bureaucrats traditionally have been the managers of the [US] alliance with Japan. They have been the shock absorbers. They have been the people we go to to work out issues, and it's worked very effectively. They've been discreet, they've been skilful and we've gotten through a lot of bumpy periods because of the skill and dedication of Japanese bureaucrats. They have been the primary channel of communication. Now their role is in question. The bureaucrats are still trying to sort out their relationship with the new government and vice versa, and in the first eight weeks it's not clear who speaks for who, and whether the bureaucrats are operating with real authority.⁹

Joseph Nye, who has long combined theorizing 'soft power' at Harvard with a tough-minded defence of the US military presence in East Asia and the need for Japan's SDF to take on a more aggressive role, derided the DPJ as 'inexperienced, divided and still in the thrall of campaign promises'.¹⁰ Richard Armitage, Bush's Assistant Secretary of State, observed that the DPJ was 'speaking a different language' to the rest of the world when it came to deterrence; the alliance with the US was clearly 'in second place behind politics', in Japan.¹¹ Another East Asia hand, Richard Bush, reminded the Japanese that the US had plenty of experience with

⁶ *The Guardian*, 10 August 2009; *Okinawa Times*, 23 October 2009.

⁷ Keiko Iizuka, 'Three Keys to Japan's New Diplomacy', Brookings Institution, Washington, DC 16 October 2009.

⁸ Itoh Shoichi, 'Will Japan be Different?', Brookings Institution, September 2009.

⁹ Denning, in 'Obama Goes to Asia', pp. 38–9.

¹⁰ Joseph Nye, 'An Alliance larger than One Issue', *New York Times*, 6 January 2010.

¹¹ Richard Armitage, 'America needs a Plan B', CSIS Pac Forum, 15 January 2010.

such situations: as with Corazon Aquino in the Philippines, Chen Shui-bian in Taiwan, Roh Moo-hyun in South Korea, Washington's goal should be 'to broaden the views of the new government and shape its policy direction in ways that fit US interests'. There was no objection in principle to Tokyo improving its relations with Beijing, but 'there are core questions of whether it will go too far'. The US should continue to 'shape China's intentions', as it had done since the 1970s, to ensure that the PRC 'has more to gain from cooperation than challenge'. This required both 'engaging and incorporating China' and 'maintaining the strength and willingness to define limits'. The US bases on Okinawa were non-negotiable, since 'an important part of strength is positioning your power in the right places'—here, commanding Japan, Taiwan, Korea, the South China Sea and Strait of Malacca. Besides, the hegemon's face was at stake: other countries were watching to see how strong the US–Japan alliance would prove to be.¹²

The Okinawa bases—specifically: relocating the facilities at Futenma to a new base at Henoko—quickly emerged as the focal point of the struggle. Obama's Defense Secretary Robert Gates arrived in Tokyo in late October 2009 to deliver the message in person. He threatened 'serious consequences' if Tokyo tried to renegotiate the agreement—'The Futenma relocation facility is the linchpin'¹³—and instructed Defence Minister Kitazawa Toshimi to get his act together before Obama's scheduled visit to Tokyo on 11 November. 'It's time to move on. Non-compliance on Okinawa will be immensely complicated and counter-productive.' It would be a 'blow to trust' if the agreement could not be implemented.¹⁴ Gates snubbed Defence Ministry aides, refused to attend the welcome ceremony they had arranged for him and blew out the dinner in his honour. The DPJ leaders dug their heels in: 'We don't know when we'll make a decision, and we don't know what that decision will be'.¹⁵ In response, Obama's visit was pointedly restricted to a 24-hour stop-over, en route to the APEC summit in Singapore.

Tokyo officials in the Foreign Affairs and Defence Ministries were now mounting a concerted 'rollback' against Hatoyama's position.¹⁶ The media

¹² Richard Bush, 'Okinawa and Security in East Asia', Brookings Institution, 10 March 2010.

¹³ Department of Defense, Joint Press Conference Tokyo, 21 October 2009.

¹⁴ *Asahi Shimbun*, 18 October 2009.

¹⁵ 'US pressures Japan on military package', *Washington Post*, 22 October 2009; 'Gates gets grumpy in Tokyo', *Asia Times*, 28 October 2009.

¹⁶ 'Interview—Fukushima Mizuho zendaijin', *Shukan Kinyōbi*, 18 June 2010, pp. 14–17.

took the same stand. Funabashi Yoichi, editor-in-chief of the centre-left flagship *Asahi Shimbun*, penned a series of articles in the aftermath of Gates's Tokyo visit: 'There is a limit to Washington's impatience—it would be very unfortunate for both countries if the Futenma issue became blown out of proportion.'¹⁷

Capitulation

DPJ ministers began to crack. Defence Secretary Kitazawa Toshimi was first to suggest that there was no real alternative to construction at Henoko.¹⁸ Next Foreign Minister Okada began to waver. Moving the Marines' base out of Okinawa was *kangaerarenai*—not an option. He did not endorse the Henoko project, but suggested Futenma's functions be shifted to the USAF base at Kadena. The proposal caused shock waves of disbelief in Okinawa: four-fifths of Kadena township was taken up by the USAF base already, and Okada was proposing its expansion. Okinawa's daily paper, the *Ryukyu Shimpo*, lamented the incapacity of the Hatoyama government to counter the 'intimidatory diplomacy' of Gates and the drift towards 'acceptance of the status quo of following the US'. If this was what the new team amounted to, 'then the change of government has been a failure'.¹⁹ DPJ Secretary General Ozawa meanwhile embarked on a spectacular visit to Beijing, taking five plane-loads of Japanese Diet members and businessmen with him. He went on to arrange a special meeting for the Chinese Vice President and heir apparent, Xi Jinping, with Emperor Akihito at the Imperial Palace.

Visibly wavering, Hatoyama announced in late December that the Futenma base decision would be taken by the end of May 2010. American officials were scathing. A Pentagon press secretary, Geoff Morell, replied bluntly that the US would 'not accept' a negative response. At the State Department, Kurt Campbell said the Japanese public 'would have to understand' the need to keep US forces in Okinawa.²⁰ By March, the Hatoyama government was floating plans for bases on alternative sites to Henoko, even larger and more complex than the original agreement. The US refused even to consider these face-saving diversions. Hatoyama was brutally snubbed at the Nuclear Non-Proliferation summit in

¹⁷ 'Relocating Futenma Base', *Asahi Shimbun*, 23 October 2009.

¹⁸ 'Hatoyama, key ministers split on Futenma', *Weekly Japan Update*, 29 October 2009.

¹⁹ *Ryukyu Shimpo*, 25 October 2009.

²⁰ 'Pentagon prods Japan on Futenma deadline', *Japan Times*, 8 January 2010.

Washington in April 2010. The *Washington Post* described him as 'the biggest loser' of all world leaders, 'hapless', 'increasingly loopy'.²¹ When he tried to assure Obama at an official dinner that the May deadline would be met, the President rudely rebuffed him: 'Can you follow through?'²² The Japanese were apparently 'so taken aback' by his tone that 'they did not draw up a written record of the words exchanged'.²³

The collapse was ignominious. Within a week of his return from Washington Hatoyama had signalled his acceptance of the 'necessary' role of the Marines and their need to be in Okinawa.²⁴ Then he proposed an offshore, pier-like version of the Henoko base, which would be less of an environmental 'sacrilege' than one based on landfill. Washington remained scornfully silent. From the *Asahi Shimbun*, Funabashi issued an open letter to Hatoyama: 'I truly hope that you make a bold decision'.²⁵ Finally, as his self-imposed deadline approached, Hatoyama surrendered completely and put his name to Koizumi's 2006 Henoko design. On 28 May, the agreement was formally incorporated in a US-Japan Joint Statement, and on 2 June Hatoyama announced his resignation. Washington held out for Ozawa also to step down as Secretary General of the DPJ. After a few tense hours that came as well. Hatoyama's successor Kan Naoto immediately rang Obama to assure him that he would honour the 28 May deal. The attempt at a 'more equal' relationship was over.

Island kingdom

What is the meaning of Okinawa within the larger frame of East Asian politics, and why has it proved such a thorn in Tokyo's and Washington's sides? The island is the largest of the Ryukyu chain, a broken necklace of coral reefs and rugged, volcanic islets that curves for some 700 miles across the East China Sea, from just below the tip of Kyushu in the north to Yonaguni in the far south, from which on a clear day one can see Taiwan. The Ryukyus were settled by the same mix of seafaring peoples that populated the southern islands of Japan, and the languages have a common parent-stock. Okinawa itself is about 70 miles long, and rarely more than

²¹ 'Among leaders at summit, Hu's first', *Washington Post*, 14 April 2010.

²² 'US distrust of Japan sharply accelerating', *Yomiuri Shimbun*, 19 April 2010.

²³ 'Japan moves to settle dispute with US over base relocation', *Washington Post*, 23 April 2010.

²⁴ *Ryukyu Shimpō*, 22 April 2010.

²⁵ Yoichi Funabashi, 'Open letter to the Prime Minister', *Asahi Shimbun*, 11 May 2010.

seven miles wide; it lies in the typhoon path, some 400 miles from the coast of China's Fujian Province, 800 miles south of Tokyo, roughly on the latitude of the Florida Keys. Granite slopes, green with sub-tropical vegetation, rise from clear seas; there are spectacular natural anchorages. The soil is poor, and what little cultivable land there is yields a hard living. Yet for centuries the island thrived as a way-station for maritime trade along the eastern Pacific. Intrepid Okinawan mariners ventured down to Indo-China and up to the Yellow Sea.

Envoys from the Ming Emperor had first reached Okinawa in 1372, and actively encouraged the island's trade. Ryukyuan leaders thenceforth participated in the rituals of the Chinese tribute system: travelling every two years to the Imperial court to make their kowtows, and be royally fêted in return, while taking advantage of the many opportunities for informal trading along the way. Tributary gifts were supposed to be native produce, but an exception was made for the Ryukyu Kingdom, which had so few resources of its own—sulphur, copper, shells—yet could offer such dazzling luxury imports. The warehouses in the harbour town of Naha stored rare timber, spices, incense, ivory and sugar from the Indies and beyond; swords, textiles, ceramics, Buddhist texts and bronzes from Korea or Japan to be shipped to China; brocades, medicinal herbs and minted coins going the other way.

The sailors brought stringed instruments and dances from Malacca and the Indies which the islanders adapted to their own legends. Ryukyuan masonry became a high art, the heavy local stone carved into sturdy yet graceful ramparts and bridges. Above the harbour, the palace complex of Shuri Castle commanded a panoramic view over the ocean and the distant islands. Its steep stone walls and ceremonial gateways enclosed lacquered reception halls, gardens, shrines and the private apartments of the king, his wives, courtiers and concubines. The leading English-language historian of the island, George Kerr, has described the sophisticated society created by a population of perhaps 100,000:

It was a toy state, with its dignified kings, its sententious and learned prime ministers, its councils and its numerous bureaus, its organization of temples and shrines and its classical school, its grades in court rank and its codes of law, all developed in an effort to emulate great China.²⁶

²⁶ George Kerr, *Okinawa: The History of an Island People*, revised edition, North Clarendon, VT 2000 [1958], pp. 15–16.

The Ryukyu Kingdom's trade with Japan—the only power in the region to defy Imperial China—was supervised on the Shogun's behalf by the Daimyo of Satsuma in southern Kyushu. This involved a second set of tributary relations. In the 1590s, the King of Ryukyu politely declined to support Hideyoshi's planned assault on Korea and China. As a reprimand, the Daimyo launched a hundred-strong armada of war junks against the island in 1609. His forces looted Shuri Castle and took King Sho Nei prisoner. The terms of his ransom were an annual tribute, amounting to nearly a quarter of the tiny kingdom's revenue, to be paid in perpetuity to the daimyo of Satsuma. In addition he would henceforth control all the Ryukyu Kingdom's overseas trade—and, after 1634, exploit it freely to circumvent the Tokugawa Shogunate's seclusion edicts, which closed off trade to the rest of Japan. The Ryukyans turned to Peking for help, but the enfeebled and embattled late Ming court felt neither obliged nor able to inconvenience itself for a subordinate state.²⁷ Ryukyuan merchant shipping declined, weakened not only by Japanese rake-offs and the disruptive effects of the Manchu take-over in China, but by European penetration of the East China Sea, bringing with it missionaries, guns and demands for trade.

Imperial prefecture

By the early 1800s, Western interests—American, Russian, British, French—were converging on Japan, hoping to prise open its ports by diplomacy or force. The Ryukyu Kingdom was an obvious—and defenceless—launch pad for such an attack. In 1853 Commodore Perry dropped anchor in Naha, hoping to establish a military base. The White House thought it would be 'inconvenient and expensive' to maintain such an outpost, however, and the Commodore sailed on to Edo and a larger prize, having granted the little state recognition with the 1854 Ryukyu Kingdom–United States Friendship Treaty. From Japan's vantage point, too, securing Okinawa was the rational first step in a modernizing imperialist expansion that would soon encompass Formosa and Korea. Within five years of the Meiji Restoration, Tokyo had asserted its sovereignty over the Ryukyus and—through a show of arms on Formosa—extorted recognition of this from China. When Shuri demurred, a garrison force was dispatched to the island and a powerful Home Ministry bureau opened there. In 1879 the now-powerless Ryukyuan throne was abolished and an Okinawan Prefecture established, under the command of a

²⁷ Kerr, *Okinawa*, pp. 152–66.

Tokyo-appointed Governor. The deposed king was held under restraint in Tokyo until his death in 1902.²⁸

Imperial rule brought a levelling down for Okinawans as the local aristocracy was displaced by arrogant officials from the north. Land reform in the early 1900s abolished the communal village-allocation system in favour of private ownership, creating tens of thousands of landless labourers. Sugar-cane plantations, run by a monopoly corporation whose principal shareholders were the Imperial Household and the Mitsui and Mitsubishi Companies, came to dominate the local economy. Japanese modes of dress and speech were made compulsory; state Shinto and the Emperor cult were imposed; portraits of the Emperor and Empress hung in every public building. Eventually, in 1920, Ryukyuan representation in the Diet was put on the same footing as that of the rest of the country. Okinawans suffered severely during the inter-war period and Great Depression, which has passed into memory as the time of *sotetsu jigoku* or cycad hell, when people were reduced to eating the fruit or bark of the cycad, a palm-like but toxic tree. They played little role, however, in the militarization drive of the 1930s or invasion of China in 1937. The minimum height and weight requirements for the Imperial forces were above the average for Ryukyuan males, and during the Second World War they were largely confined to the labour corps.²⁹

Facing defeat, Hirohito 'sacrificed' Okinawa in a bid to preserve the Emperor System and the home islands, while treating for surrender terms. The Allied land assault was launched in April 1945: the ancient walls of Shuri Castle were subjected to continuous bombardment from air and sea for sixty days, while half a million US troops poured onto the island, five times the size of the defending force. To the Imperial Japanese Army, distraught Okinawans were either a nuisance—competing for scarce resources, hindering troop movements—or a threat, suspected of spying because of the incomprehensible dialect they spoke. In the most extreme cases, grenades were distributed and the people were called upon to sacrifice themselves in 'collective suicides'. At the same time, many trying to hide in the island's caves were incinerated by American flame-throwers. More than 200,000 people, half of them civilians, died in

²⁸ Kerr, *Okinawa*, pp. 360–72, 397.

²⁹ Kerr, *Okinawa*, pp. 414–5, 431–2, 424–8, 460–3. In April 1945 General Ushijima had 89,000 troops under his command on Okinawa, of whom only 4,575 were Ryukyuans.

the rain of fire and steel. After the cynical nuclear bombing of Hiroshima and Nagasaki had secured an already prostrate Japan's unconditional surrender, Okinawa became 'an immense, neglected military dump':

Towns and villages were rubble heaps; tens of thousands lived in caves, tombs, lean-to shacks, or relief camps . . . Farmers became air-base labourers; fishermen became truck-drivers; the old aristocracy disappeared. Cast-off GI clothing, American soft drinks, cigarettes and canned goods supplied a new luxury trade for a totally impoverished people.³⁰

The memory of 1945 is seared into Okinawan identity and has shaped responses to the security agenda foisted upon the island ever since. Their outrage is especially stirred by attempts to sanitize history, as happened under Koizumi, by deleting from school textbooks their memories of the compulsory mass suicides under the bayonets of the Imperial Army, and the final orders from Tokyo to abandon all thought of survival. They learned, and refuse to forget, that neither the Japanese nor the American armed forces were there for their defence.

American possession

Okinawa's post-war history has been punctuated by what the Ryukyans know as *shobun*, or disposals: deals done over their heads which have determined their fate. In 1947 Hirohito, at American prompting, offered to 'sacrifice' the island a second time, suggesting to General MacArthur that the US might lease Okinawa on a '25, or 50-year, or even longer' basis, as a condition for the restoration of sovereignty over the 'rest' of Japan. The 1951 San Francisco 'Treaty of Peace' gave the US 'all powers of administration, legislation and jurisdiction' over the territory and inhabitants of the Ryukyus and their territorial waters. By this time the Pentagon had already undertaken a vast military construction programme on Okinawa—air bases, supply depots, barracks, recreational facilities—for the Korean War; driving islanders off their land with 'bayonets and bulldozers'. The realities of US occupation—an arrogant Military Governor; American 'watchdogs' shadowing the local legislature—led to widespread demands by Okinawans for reversion to Japan.

The US–Japan Security Treaty of 1960, commonly known by its Japanese abbreviation, AMPO, perpetuated Okinawa's subjection to foreign command. The growing Japanese student movement and a revived left

³⁰ Kerr, *Okinawa*, p. 5.

had organized a mass campaign against it, and its passage through the Diet was tumultuous. The LDP Prime Minister Kishi Nobusuke rammed the bill through the Lower House in the pre-dawn hours of 20 May, in the absence of the Opposition, as huge protests unfolded outside.³¹ The AMPO system extended beyond the Security Treaty, however. It included various forms of *mitsuyaku*—secret agreements—not least Tokyo's assurance that 'no prior consultation is required for US military vessels carrying nuclear weapons to enter Japanese ports or sail in Japanese territorial waters'.³² With the memory of Hiroshima and Nagasaki still vivid in people's minds, and that of the Daigo Fukuryu-maru incident in 1954—when Japanese tuna fishermen fell victim to radioactive ash from a US H-Bomb test at Bikini Atoll—still more recent, the LDP could not have survived if citizens had known it was allowing nuclear weapons into Okinawa.³³

A decade later, in 1972, Okinawa's 'reversion' to Japan was occasion for a second *shobun*. By this time the huge network of US military bases on the island, together with some in mainland Japan, were being used as an important staging post for the war on Vietnam, in face of stormy protests. The 1969 Sato–Nixon Agreement was presented as an act of American benevolence: at long last, the restoration of Japanese sovereignty over Okinawa; but it came with numerous strings. Although Japan would now administer the Prefecture, the Sato–Nixon Agreement included a proviso that 'reversion would be accomplished without affecting' US efforts on behalf of South Vietnam. American bases would remain intact and the pre-eminence of US military interests entrenched.

The process of Okinawa's 'return' to Japan in 1972 involved a triple deception. Firstly, instead of *henkan*—a giving back—it was actually a purchase, for which Tokyo paid Washington a sum of around \$685 million. Included

³¹ Kishi had served in the war-time Imperial government and was held as a Class-A war criminal, 1945–48, before the US helped restore him to one of the highest offices of state. He was forced to resign in the aftermath of AMPO's ratification, and Eisenhower to cancel a planned visit to Japan for fear of a hostile reception.

³² 'Record of discussion, 6 January 1960', US National Archives; quoted in *Akahata* editorial, *Japan Press Weekly*, 5 July 2009.

³³ LDP governments had long denied the existence of the *mitsuyaku*, even though documentary proof had emerged from the US archives. In 2009, however, the DPJ Foreign Minister Okada ordered a search of the archives for relevant materials. His committee's findings, published in March 2010, confirmed three 'understandings', of which most important was that on nuclear weapons. Four former Foreign Ministry vice-ministers had already testified to their existence. Ministry of Foreign Affairs, 'Iwayuru 'mitsuyaku' mondai ni kansuru chosa kekka', 9 March 2010.

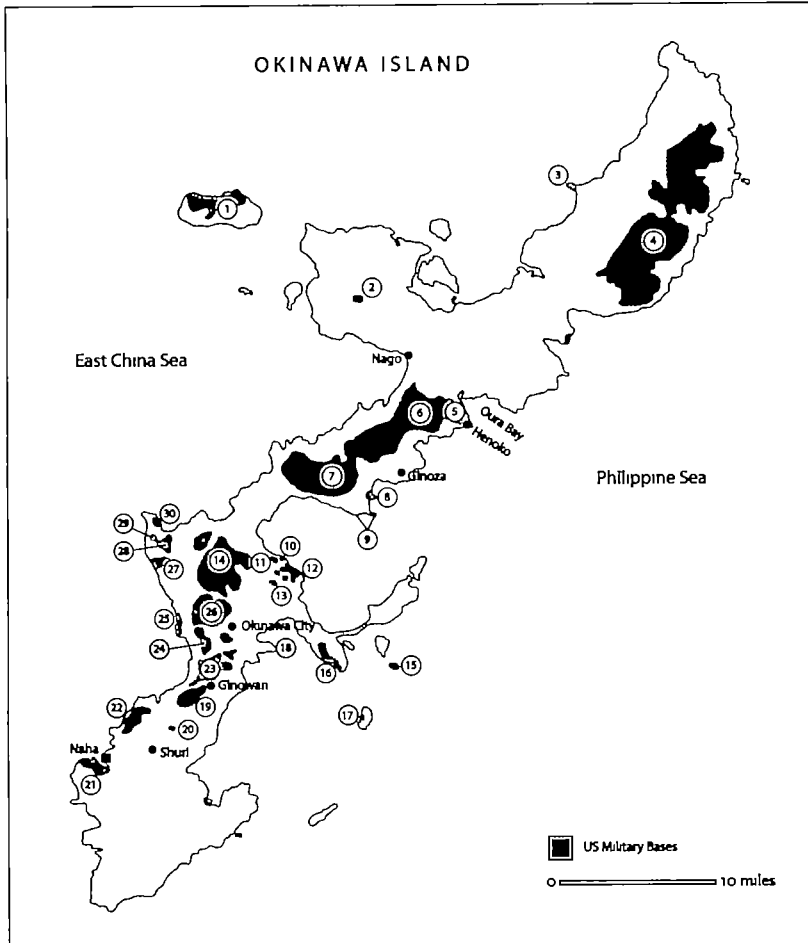
in this was \$70 million, supposedly to cover the cost of removing nuclear weapons from Okinawa. But as a Japanese official confessed last year, 'We decided on the cost so as to be able to say, "Since Japan has paid so much, the nuclear weapons must have been removed." We did it to cope with the opposition parties in the Diet.'³⁴ The real terms of the 'return' were carefully concealed. Though celebrated at the time as *kaku-nuki hondo-nami*—no nuclear weapons, the same as mainland Japan—and therefore a diplomatic triumph for Sato, it was actually neither. In addition, Japan now began to pay the Pentagon its 'host nation support' fee, amounting today to around \$4 billion a year. This 'reverse rental', of landlord to tenant, came to be known as *omoiyari*, or sympathy payment. Japanese goods were still given privileged access to American markets; but a fair proportion of the profits made there were directly recycled to the Pentagon. Where other countries tend to 'permit' American bases, often extracting substantial sums for so doing, Japan instead pays for the privilege.

Despite the nominal inclusion of Okinawa under the 1947 Constitution of Japan, with its guarantees of peace and human rights, bitter experience has taught the Okinawans that in practice the Security Treaty outweighs the Constitution: AMPO over Kempo. A fifth of the island's land surface is now occupied by the US military. Among the largest sites are the USAF base at Kadena, hosting 18,000 Americans, with runways 3.7 km long: the launch pad for successive combat operations in Indo-China, the Persian Gulf, Iraq and Afghanistan, as well as aerial reconnaissance and refuelling missions; the Futenma Marine Corps Air Station in Ginowan, a town of 90,000 with a 2.7 km airstrip running through its centre; and the artillery ranges and training areas at Camp Hansen and Camp Schwab, adjacent to Nago, a town of 60,000. The presence of high-spending Americans transformed the political economy of the island, although it is still the poorest prefecture in Japan. But it brought with it the permanent roar of military aircraft, the dangers of helicopter crashes and misfired ordinance, and the coarseness of a soldiery still accorded semi-immunity under the AMPO Status of Forces agreement.

Clinton's fix

The end of the Cold War raised hopes that Okinawa might, at last, be able to reap a 'peace dividend'. In February 1995, however, Clinton's

³⁴ 'Cost to remove US nukes from Okinawa exaggerated to dupe public', *Asahi Shimbun*, 13 November 2009. A detailed accounting of the entire sum involved remains to be made.



Key to Main US Military Installations

- | | | |
|---------------------------|------------------------|---------------------|
| 1 Ie Jima Airfield | 11 Army POL Depots | 21 Naha Port |
| 2 Yaedake Site | 12 Camp Courtney | 22 Makimato Area |
| 3 Okuma Centre | 13 Camp McTureous | 23 Camp Zukeran |
| 4 Northern Training Area | 14 Camp Shields | 24 Camp Kuwae |
| 5 Henoko Ammunition Depot | 15 Ukibaru Jima Area | 25 Army Depots |
| 6 Camp Schwab | 16 White Beach Area | 26 Kadena Air Base |
| 7 Camp Hansen | 17 Tsuken Jima Area | 27 Torii Site |
| 8 Gimbaru Area | 18 Awase Station | 28 Sobe Site |
| 9 Kin Beach Areas | 19 Futenma Air Station | 29 Yomitan Airfield |
| 10 Tengan Pier | 20 Engineer Office | 30 Senaha Site |

Assistant Defense Secretary, Joseph Nye, produced a strategy document for the East Asia–Pacific region.³⁵ This repudiated the Bush Senior Administration's plans for troop reductions and called for US forces to be maintained at Cold War levels of 100,000 troops in Japan and South Korea, with these allies also pressed to contribute more themselves. In a *Foreign Affairs* article, Nye justified a policy of 'deep engagement' for the post-Cold War era on the grounds that 'rising powers create instability in the international state system'. A forward-based troop presence 'ensures the US a seat at the table on Asian issues' and 'enables us to respond quickly to protect our interests, not only in Asia but as far away as the Persian Gulf'. For the foreseeable future, Japan and the Okinawa bases would serve as 'the cornerstone of our security strategy for the entire region'.³⁶ The Governor of Okinawa at the time, Ota Masahide, remarked that Nye spoke of the island as if it were 'American territory'.³⁷ The US's East Asian bases, far from being liquidated, as people especially in Okinawa had grown to hope, were to be upgraded.

Within six months of the Nye Report, the Japan hands' complacency was challenged by an eruption of protest on Okinawa itself. A particularly brutal assault—three US servicemen snatched a 12-year-old girl, duct-taped her eyes and mouth, and serially raped her—occasioned such outpouring of angry protest, not only throughout Okinawa but also in 'mainland' Japan, that for the first time the perpetrators were handed over to the Japanese authorities, and in due course sentenced and imprisoned. President Clinton, visiting Tokyo in April 1996, agreed that the US Marines would be moved out of Futenma; but he made the promise conditional on the construction of a new, alternative base.

Initially the Futenma Replacement Facility was to be a modest heliport, some 45 metres in length, located 'off the east coast of Okinawa'. Tokyo soon specified that this meant the fishing port of Henoko, on Oura Bay, a site that the US Navy had been eyeing for decades. During the Vietnam War, the USAF had even started bombing the seabed in an effort to get rid of the 'nuisance' coral.³⁸ In fact the coral and marine resources in the Bay

³⁵ US Department of Defense, 'United States Security Strategy in the East Asia-Pacific Region', 27 February 1995.

³⁶ Joseph Nye, 'The Case for Deep Engagement', *Foreign Affairs*, July–August 1995.

³⁷ Ota Masahide, interview, Videonews, 11 March 2010.

³⁸ See 'The Targeted Sea', a documentary on the evolution of the Henoko site by Ryukyu Asahi Broadcasting, October 2009, with English commentary by Satoko Norimatsu: *Asia-Pacific Journal*, on the Japan Focus website.

are of global importance. The internationally protected dugong graze on sea grasses in its waters, turtles come to rest and lay their eggs, and numerous protected birds, insects and animals thrive. A World Wildlife Fund study found an astonishing 36 new species of crab and shrimp in the area.³⁹ LDP governments produced one Futenma replacement plan after another, nearly all centring on Henoko and Camp Schwab, and each more elaborate than the one before. No expense was spared in cultivating and co-opting Okinawan political and business elites. An Open Letter from community leaders complained movingly that the American and Japanese governments 'have changed their strategy for maintaining the base presence from using force to using money':

This is very cruel treatment. The people of Okinawa are increasingly dependent on such money. The money has created a system which has corrupted our minds. It has taken away alternatives. The acceptance of US bases is seen as the only way to live . . . It is as if the Japanese government has made Okinawa a drug addict, and the US government takes full advantage of the addiction, in order to maintain its military presence.⁴⁰

Nevertheless, local opposition to the planned new base persisted. The people of Nago rejected it by a clear majority in a 1997 plebiscite, despite massive central government intervention. In a bizarre twist, Nago's mayor announced that City Hall rejected the voters' decision. From 1999, Nago City and Okinawan prefectural authorities adopted a position of 'conditional acceptance', although popular hostility to the various Henoko plans still ran strong. When environmental survey work in Henoko finally began in 2004 it was met by a protest 'sit-in,' both on land and in the water, so effective that Koizumi cancelled the plan in the run-up to the 2005 election. A year later, however, with the election behind him, Koizumi approved a new Futenma replacement plan: it would be land-based, with two 1.8km airstrips, joined in a V-shape, stretching out from Camp Schwab into Oura Bay. It included a deep-water naval port and a chain of helipads, scattered through the forest. It amounted

³⁹ *Ryukyu Shimpō*, 25 November 2009. A suit was launched in 2003 on behalf of the dugong in a San Francisco court. It ruled in January 2008 that the Defense Department had violated the National Historic Preservation Act by failing to take into account the effects on the dugong of a US base in Oura Bay. Hideki Yoshikawa, 'Dugong Swimming in Uncharted Waters', *Asia-Pacific Journal*, 7 February 2009.

⁴⁰ Miyazato Seigen and 13 others, 'Open Letter to Secretary of State Clinton', 14 February 2009, cited in my 'Battle of Okinawa 2009', *Asia-Pacific Journal*, 16 November 2009; Japanese text at 'Nagonago zakki', Miyagi Yasuhiro blog, 22 March 2009.

to a comprehensive hi-tech air, land and sea base, far larger and more multifunctional than the outdated Futenma. The cost was estimated at around \$16 billion.

But despite Koizumi's efforts, progress on the project was slow. By 2008 the environmental survey process was still incomplete and the opposition DPJ—increasingly articulate in its resistance to any new base and demanding that Futenma be shut down straight away—was far ahead of the governing LDP.⁴¹ Popular resistance on the periphery was beginning to set the agenda for a national debate. American officials, though never failing to state that the decision was entirely up to the sovereign government of Japan, were determined to pin down agreement before the LDP's warrant ran out. In May 2008 Bush's Deputy Defense Secretary Richard Lawless told the *Asahi Shimbun* that Washington needed 'top-down leadership' from Tokyo: 'Japan has to find a way to change its own tempo of decision-making, deployment, integration and operationalizing this alliance'.⁴² At a Tokyo conference in December 2008, Nye spelled out that any attempt to cancel the Indian Ocean refuelling mission, renegotiate the AMPO Status of Forces agreement or revise the Koizumi plan for Futenma–Henoko relocation would be seen by Congress as 'anti-American'.⁴³

In 2009 the Obama Administration picked up the baton. With few exceptions, the 'Japan specialists' of the Bush Administration were kept in place (many had been in service since the 1990s Clinton Administration).⁴⁴ As noted above, in February Secretary of State Clinton pushed through the misleadingly entitled 'Guam International Agreement', pledging Japan to build the new base at Henoko by 2014 and to step up the Self Defense Forces to a more forward role under US command. It was the culmination of a fifteen-year process, in accordance with the Nye framework. Clinton made clear that it was intended to pre-empt the outcome of the August 2009 election: 'The agreement that I signed today with Foreign Minister Nakasone is one between our two nations, regardless of who's

⁴¹ See the Democratic Party of Japan's 'Okinawa Vision 2008'.

⁴² *Asahi Shimbun*, 2 May 2008.

⁴³ *Asahi Shimbun*, 25 February 2009.

⁴⁴ Kurt Campbell, who conducted the Futenma negotiations under Bush, has become Obama's Deputy Secretary of State for East Asia; Wallace Gregson, Marine Commander in Okinawa under Bush, now heads the Defense Department's Asia-Pacific section; Kevin Maher, Consul-General in Okinawa under Bush, has become Director of the State Department's Office of Japan Affairs. Neither Nye nor Armitage hold official posts, but their influence is indisputable.

in power.⁴⁵ Within nine months of the DPJ government taking office, the combined efforts of the American imperial state and its relays in Japan's bureaucracy and media had proved her right.

Having caved in on Henoko, the DPJ proceeded to capitulate all along the line. Under pressure from the bureaucracy, Kan reversed the DPJ's fiscal policy and moved to raise consumption tax. Support for his government fell by 8 points overnight, and its talk of 'a strong economy, strong finances and strong welfare', rang hollow. The Hatoyama vision of fraternity and an autonomous East Asian Community evaporated, as traditional subservience to Washington returned. The distinctive policies that had underpinned its 2009 electoral triumph have vanished. The DPJ had been 'LDP-ized'.⁴⁶ The Kan government was duly punished by its voters in the July 2010 elections to the Diet's Upper House, with a 16 per cent swing against it. By comparison to the 2007 Upper House election, its share of the vote dropped from 40 per cent to 24 per cent, and from 23 million to 18 million ballots in the proportional sector. In Okinawa it did not dare to field a candidate at all. Occupying 103 seats in an Upper House of 242, it will scarcely be able to govern without some sort of alliance. There is now a distinct possibility of a 'left-right' coalition, as in the mid-1990s when the Socialist Party's Murayama served briefly as Prime Minister, having abandoned the Socialists' core policies. The differences between the two major parties are now minimal.

Outcomes

With Hatoyama's inglorious capitulation, Ozawa's forced resignation and Kan's pledge of submission to Washington, friendly trans-Pacific relations resumed. Once Kan had announced his determination to press ahead with the landfill plan at Oura Bay, he was rewarded by prime photo-time with Obama at the Toronto G-20 Summit. The smiling faces of the two leaders shaking hands on the deal were seen in Okinawa as nothing but 'a cover for the naked violence' that they were planning to direct against the island.⁴⁷ In Washington, a House of Representatives resolution expressed 'appreciation to the people of Japan, and especially on Okinawa', for their continued hosting of the US bases. This was too

⁴⁵ 'Clinton praises strong US-Japan ties', *Yomiuri Shimbun*, 18 February 2009.

⁴⁶ As veteran economist Ito Mitsuharu put it: 'Kokoro ni kakutaru taikojiku o', *Sekai*, August 2010.

⁴⁷ Miyagi Yasuhiro, 'Yo ni mo kimyo na monogatari', *Nagonagu Zakki*, 29 June 2010.

much even for the conservative Prefectural Governor, who protested at such insensitivity to the 'disappointment' of the Okinawans at the deal Obama and Kan had negotiated over their heads.⁴⁸

From Washington's perspective, this satisfying outcome also offers an opportunity to press forward with the longer-term project of integrating Japan's highly equipped armed forces under US command. Already, Japan's Ground SDF command has moved to Zama, outside Tokyo, where it is merged with US Army I Corps command; its Air SDF command has merged with that of the US Fifth Air Force at Yokota; and its Maritime SDF has long acted as a subsidiary to the Yokosuka-based US Seventh Fleet, regularly engaging in joint exercises under American direction. The chorus from Japan's elites about the need to 'repair the damage' done by Hatoyama suggests that this may now move forward more swiftly. Michael Green, another Washington 'Japan hand' closely involved with formulating the 1995 Nye doctrine, recalled that preparations for the Clinton–Hashimoto 1996 Joint Security Declaration began under the supposedly dissident Murayama: 'history suggests' that this could be the moment for a new push. 'The next generation of leaders in the DPJ is made up of realists who want a more effective Japanese role in the world and are not afraid to use the Self Defense Forces or to stand up to China or North Korea on human rights.'⁴⁹ However attractive to Washington the agreement to construct the Henoko base, the prospect of 'peaceful' Japan submitting its 240,000-strong armed forces to Pentagon direction must be even more so.

Yet resolve in Okinawa has only stiffened. While the Hatoyama government was floundering, the Okinawan Prefectural Assembly demanded unanimously that Futenma Marine Corps Air Station be closed.⁵⁰ Nago City elected a new mayor, who promised a break with the corrupt and dependent politics of past decades and declared that his city would not allow the construction of any new bases. In March and April 2010, all the town and city mayors followed suit. A mass rally of 90,000 called for Futenma's unconditional closure and no new base at Henoko. Nago

⁴⁸ 'Chiji, Nichibei 'kansha' ni fukaikan, kengikai daihyo shitsumon', *Okinawa Times*, 26 June 2010.

⁴⁹ Michael J. Green, 'Tokyo Smackdown', 13 October 2009.

⁵⁰ 'Kengikai, Futenma "kokugai kengai isetsu motomeru" ikensho kaketsu', *Okinawa Times*, 24 February 2010. A resolution to the same effect had been passed by a majority in July 2008.

Mayor Inamine has said that there is 'zero possibility' of the May 2010 Agreement being implemented: 'It simply will not happen.' He described the Hatoyama capitulation as marking a 'day of humiliation' for the Ryukyus akin to that of April 1952, when the islands were offered to the US as part of the deal for restoration of Japanese sovereignty. A *Ryukyu Shimpo* survey found opposition to the new base running at 84 per cent. At the Henoko village sit-in, 87-year-old Muneyoshi Kayo declared that any monetary 'thanks' Tokyo might offer to sweeten the deal should be thrown into the sea.⁵¹ There is no precedent in modern Japanese history for an entire prefecture to unite in saying 'No' to the central state authorities. If the movement did not clash with Washington's strategic agenda it would be acclaimed as an inspiration and given a colourful epithet by the Western media—'goya revolution', perhaps, after the Ryukyuan bitter melon. But not in Okinawa.

Sixty-five years after its unconditional surrender, the humiliating circumstances in which the terms of the US 'alliance' were imposed remain deeply impressed upon Japan's institutional memory. I have defined it elsewhere as a client state: that is, one that enjoys the formal trappings of Westphalian sovereignty and independence, and is therefore neither a colony nor a puppet state, but which has internalized the requirement to give preference to 'other' interests over its own. Over the decades, thick webs of deception have grown around its surrendered sovereignty. Japan's ruling elite, in place since the Meiji era, has had much to gain from the arrangement, in terms of its own political and economic security. From 1978, with Japan's economy becoming competitive with America's, it began to pay for the occupiers' presence, embracing a stratagem of 'spontaneous servitude'.⁵² With the Cold War over, Germany renegotiated its Status of Forces agreement with the US, dramatically reducing the troop numbers there. Japan, by contrast, has pledged to pay for an expanded US military presence, not for defence against a Soviet threat but as a forward base for power projection across the region.

Terashima Jitsuro, an analyst close to Hatoyama—indeed once mooted as a DPJ foreign minister—has argued that the US–Japan security apparatus is today largely geared towards joint operations in America's 'war on terror', from the Middle East to Central Asia:

⁵¹ 'Kitai wa maboroshi, Okinawa okoru', *Asahi Shimbun*, 29 May 2010.

⁵² Nishitani Osamu, 'Jihatsuteki reiju o koeyo—jiritsuteki seiji e no ippo', *Seikai* February 2010, p. 126.

From Japan's perspective, it is foolish to place itself in a framework where Islam is seen as a threat to Japan's security . . . In contrast to the US, there are no domestic pressures on Japan to support the Israeli side in the Israel–Palestine conflict. We must be aware of where Japan stands and realize there are things in the world that should be confronted jointly with the US and others that should not.⁵³

Terashima is well aware of the problems that stand in the way of an independent foreign policy. He has written of the mutual dependence between the 'Japan hands' in Washington, who 'make their living from US–Japan security', and the 'us hands' in Tokyo, who sing along in chorus. Recalling Lu Xun's description of the hollow expression worn by those Qing officials so accustomed to toadying to colonial powers that they have lost the capacity to think independently, he has charged that 'slave-faced expressions have become a permanent feature of the Japanese media'.⁵⁴ It will take a more determined leadership than Hatoyama's, and a deeper popular mobilization, if the orientation of Japan's foreign policy is to be altered. In the meantime, Okinawa continues to bear the main burden. In February 2009, Ryukyuan community leaders sent an Open Letter to Secretary of State Clinton, as she nailed down the agreement to land-fill Oura Bay. 'Okinawa, a small island, has lived under great stress for over sixty years', they wrote. 'The presence of US military bases has distorted not only the politics and economy of Okinawa, but also its society and people's minds and pride. We do not need to remind you that Okinawa is not your territory. Your 50,000 military members act freely as if this is their land, but, of course, it is not.'⁵⁵ The sit-in at Henoko continues.

⁵³ Terashima Jitsuro, 'The Will and Imagination to Return to Common Sense', *Asia-Pacific Journal*, 15 March 2010.

⁵⁴ Terashima Jitsuro, 'Zuno no ressun, 100, Nichibei domei wa "shinka" saseneba naranai', *Sekai*, August 2010.

⁵⁵ Miyazato and others, 'Open Letter'.

AMERICAN POLITICS FROM

SUNY PRESS



NIXON AND ISRAEL

Forging a Conservative Partnership

Noam Kochavi

\$23.95 paperback 978-1-4384-2782-9

\$23.95 electronic 978-1-4384-2787-4

"Using a wealth of recently declassified Israeli and American documents, Kochavi has unraveled the evolution of Nixon's policy shift toward Israel . . . a corrective to those scholars who have tended to treat the Nixon administration's Vietnam policy and his Middle Eastern policy separately."—*Jewish Book World*



TRANSPORTING ATLANTA

The Mode of Mobility under Construction

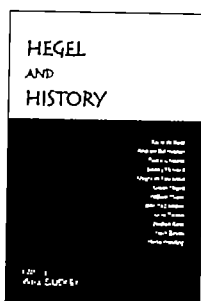
Miriam Konrad

\$24.95 paperback 978-1-4384-2678-5

Inconveniences and hardships created by too many automobiles and too few alternatives for movement have reached untenable levels in Atlanta. Miriam Konrad investigates three major transportation projects involving public transit and use of space issues in the Atlanta area. She reveals how gridlock, over regional transportation policy and procedures, has emerged out of the competition between growth promoters, environmentalists, and social-justice actors.

www.sunypress.edu

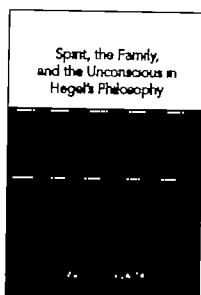
SUNY
PRESS



Will Dudley, editor

\$23.95 paperback 978-1-4384-2910-6
\$23.95 electronic 978-1-4384-2911-3

Nearly two centuries after declaring "the end of history", Hegel remains a rich source of insights into our historical nature. The essays collected here interpret and develop those insights, while also challenging Hegel's philosophical approach to comprehend present and future phenomena that he could neither experience nor imagine. They represent the very best in contemporary scholarship on Hegel and history.



David V. Ciavatta

\$24.95 paperback 978-1-4384-2870-3
\$24.95 electronic 978-1-4384-2872-7

This original study of the role that family life plays in Hegel's *Phenomenology of Spirit* and *Philosophy of Right* pays particular attention to Hegel's characterization of the family as an unconscious form of ethical life rooted essentially in affectivity. Incorporating existential, phenomenological, and psychoanalytic perspectives, Ciavatta offers insightful investigations of many basic Hegelian themes, such as spirit, perception, ethical agency, language, and property ownership.

www.sunypress.edu

ADOLFO GILLY

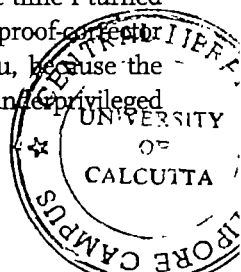
Interview

‘WHAT EXISTS CANNOT BE TRUE’

How would you describe your background and political formation?

I WAS BORN IN Buenos Aires in 1928. My father was a lawyer, though he had been a sailor before that; my mother was a housewife. My paternal grandfather was an Italian immigrant, with the surname Malvagni. Gilly was my mother's maiden name, possibly of French origin; I later adopted it as my *nom de plume*, since in Argentina your mother's name doesn't appear on your passport. My first political activity came in 1943, when I joined the local Comité de Gaulle, without really knowing what it was, out of sympathy with the Free French. France always had a large cultural influence on Argentina, my father admired France a great deal, and I found de Gaulle sympathetic at the time. The first political demonstration I went to was to celebrate the liberation of Paris in August 1944, at the age of sixteen. The following year, there was a general strike in Buenos Aires, with mass mobilizations of workers in October that forced the military government to call elections, which the Junta's Labour Minister, Juan Domingo Perón, won in February 1946.

This was a decisive moment in what I would call my 'sentimental education'. That year I joined the Juventud Socialista, the youth wing of the Socialist Party, and then the Socialist Party itself. Together with some other school students, I worked on a Party newspaper called *Rebelión* (Rebellion), but we had only put out four issues before the leadership closed us down. I left the Socialists in 1947, and joined an organization called the Movimiento Obrero Revolucionario. By the time I turned twenty, I had quit my studies of law and got a job as a proof-reader at a publishing house. This was a very particular milieu, because the proof-readers always saw themselves as intellectuals, but underprivileged



ones. It was around this time, 1948–49, that I began to live the workers' movement. In Argentina, this was a movement with a strong socialist and anarchist tradition—largely because of Italian and Spanish immigration into the country, which coincided with the initial wave of worker organization in the 1880s and 90s. This, by the way, is a feature common to Brazil, Bolivia and Uruguay as well, where anarchists also had a significant presence. These Mediterranean immigrants brought with them a culture that had an anarchist tradition—anarchist and Catholic. Later, I discovered that many features of Peronism, such as the proposal for a general strike in 1945, came from the world of anarchism or anarcho-syndicalism, rather than that of communism or social-democracy.

I was increasingly drawn to Trotskyism, and in 1949, two of us in the MOR—Guillermo Almeyra and myself—decided to join the Fourth International. At this point, we had to choose which of three currents within the FI to support. There was one strand which saw Perón as an agent of British imperialism. Braden, the US Ambassador at the time, had intervened in favour of the military junta, and made public statements against Perón during the campaign; so posters appeared everywhere saying 'Braden or Perón', posing the election in nationalist terms, as a choice between the two. It seems absurd now, but one current in the FI thought that the British were behind all of this. A second strand argued that Perón's support base was composed of backward masses of newly proletarianized workers. They were like an avalanche that buried the previously existing proletariat, over which the Socialist Party had had an influence in the 1930s. According to this interpretation, these 'backward masses' were now following a leader—as if Perón were some sort of snake charmer with a flute.

The third current, which was led by Homero Cristalli—better known under his pseudonym, Juan Posadas—maintained that Perón was a representative of the Argentine industrial bourgeoisie, engaged in a struggle for political power with the old landowning oligarchy, but that his base was a genuine nationalist mass movement. The rapid growth of industry during the Second World War had brought large numbers of peasants and artisans into the capital from the interior, effectively creating a new proletariat. These were not the old peasantry of a colonial country, for example—it was an entirely imported peasantry, which now moved to the city and, as industrial workers, created unions with an impressive mass base. Perón's popularity rested on a series of laws on holidays, severance

pay, pensions, guaranteed rights of organization, holiday resorts. It's important to have holidays, of course, but it's not a radical change in anyone's life. But for the Argentine working class, fifteen days holiday a year was a real gain; something comparable happened in France in 1936 under the Popular Front. This third current was saying that the workers may have been following a charismatic leader, but they did so for their own reasons. Peronism was the specific form that the organization of the working class took in our country, and we had to understand it.

I joined this third current within the Argentine section of the FI—the one led by Posadas. The world of the Fourth International might now seem like another planet. There were always two elements within it, one focused on revolution in Europe, the other on the colonial world. Both dreams were Trotsky's, and they cohabited in the FI, but there was always a tension between them. Ernest Mandel and Michel Pablo represented the two visions. Mandel, who had been formed in the world of manufacturing and mining in Belgium, was convinced the vector of revolution would be the industrial proletariat. Pablo, whose real name was Michalis Raptis, was born in Alexandria and grew up in Greece, a country with a long history of struggle for national independence; in the 1950s and 60s he saw the huge upsurge of movements for independence in the colonial world. Ernest would become animated when talking about the German Revolution, Rosa Luxemburg and so on, while Pablo would come alive when telling heroic stories of the Algerian revolution or the war of liberation in Greece; in that sense, he was something of a Balkan conspirator. There were many disagreements between them, because they had such different dreams. But they had warm personal relations all the same. In 1995 I was in Greece to do an interview with Pablo, who called me one afternoon to tell me Mandel had died; he then recorded some very emotional recollections of Ernest, with whom he had argued time and again. This kind of warmth is something social democratic parties lack, because they are in a sense too secular: they lack devotion to the idea of revolutionary Marxism. Though that phrase has always struck me as a pleonasm—for me it was always a given that any Marxism would have to be revolutionary.

What would you say were the main intellectual influences on you early on?

I came of age in a country that was not in the First World, but was not a peasant country either, which gave it a very particular form. My initial

commitment to the revolutionary movement came first—books came afterwards. What I read seemed rather to confirm what my experience and intuition had already been telling me. In fact, I think this is generally the case: one is led towards rebellion by sentiments, not by thoughts. At the end of his statement to the Dewey Commission, Trotsky described being drawn to the workers' quarters in Nikolayev at the age of eighteen by his 'faith in reason, in truth, in human solidarity', not by Marxism. But perhaps the most crucial sentiment is that of justice—the realization that you are not in agreement with this world. There is a story that Ernst Bloch was asked by his supervisor, Georg Simmel, to provide a one-page summary of his thesis before Simmel would agree to work on it. A week later, Bloch obliged with one sentence: 'What exists cannot be true.' The thesis later became *The Principle of Hope*. It was this kind of ethical moment that was crucial for me—the discovery that there was a necessary connection between justice and truth.

I remember reading Trotsky's *Revolution Betrayed* when I was eighteen, but what really brought me to Trotskyism were two articles of his on Lázaro Cárdenas that analysed the post-Revolutionary Mexican government's continual oscillations between subordination to imperialism and forwarding workers' interests.¹ According to Trotsky, this variation was due to the weakness of the national bourgeoisie, and to the relative power of the proletariat. In his view, *cardenismo* was a *sui generis* form of Bonapartism, attempting to raise itself 'above classes', and making concessions to the workers in order to secure some room for manoeuvre against foreign capital. I was very struck by the force of Trotsky's arguments.

If I had to choose a handful of books that made a particular impression, there would be André Breton's *Les pas perdus*, which I read in 1949, and C. L. R. James's *The Black Jacobins*, which I read in French on a train to Bolivia in the late 1950s, as well as his study of Melville, *Mariners, Renegades and Castaways*. Curiously, when reading *Moby Dick* some fifteen years earlier I had been struck by the very same sentence from which James took his title. Melville and James are marked by the same refusal of injustice I mentioned earlier. I also found it in José María Arguedas, a Peruvian who wrote an extraordinary autobiographical novel called *Los ríos profundos*, and in the poetry of another Peruvian, César Vallejo. And of course it's present in Frantz Fanon. I recall buying *Les damnés de la terre* in

¹ The essays are Leon Trotsky, 'Mexico and British Imperialism' (1938) and 'Trade Unions in the Epoch of Imperialist Decay' (1940).

a bookshop on the via Veneto in 4 December 1961—I remember the day exactly because I read the book in one sitting, and it made a big impact on me. I discovered Gramsci around the same time, during a stay in Italy. I also read the work of Raniero Panzieri, Mario Tronti and the group around *Quaderni rossi*. I became familiar with Subaltern Studies and the work of Ranajit Guha and Partha Chatterjee in the early 1980s. I only really read Edward Thompson in the 1990s. His *Making of the English Working Class* and *Customs in Common* lay a lot of emphasis on the category of experience, which in my view is extremely important to Marxist thought.

Taken together, all of these works have in common a concern with the preoccupations of the people, based on the impulse to understand their world and what motivates them. The reasons why people rise up in revolution are not incidental, they are substantive. In his *History of the Russian Revolution*, Trotsky writes that the masses didn't rise up because they were thinking of the future, but because what they were living in the present was intolerable. When Guha writes of the 'autonomous domain' of the subaltern, and of ways of conducting politics 'below' official politics, it comes from his experience as a communist militant in India. In a way, when I wrote on the Mexican Revolution I was concerned with the same phenomena of social life as in Guha's work, though mine took a more elemental form. Many look at the support for Perón or Cárdenas and say, they were Peronists, or *cardenistas*. But the parties in question were just the epiphenomenal form taken by the desires of all these people. Parties often think they are the ones organizing and instructing the people on how to mobilize, but that's not the case—they were the best institutional form for securing particular ends, and the impulse comes from elsewhere, from long years of suffering, from an intolerable reality.

You left Argentina for Bolivia in 1956 at the age of twenty-eight. Could you tell us more about the situation in Bolivia, and the political work you did there?

I went as a reporter for the Uruguayan paper *Marcha*—on orders from the Fourth International.² I was initially supposed to be there for six months, but ended up staying for four years. I arrived just in time for the April anniversary of the 1952 revolution, and saw the miners' militias

² Founded in 1939, *Marcha* was a leading Latin American political and cultural weekly. Contributors included Che Guevara, Borges, Faulkner, Céline, Cortázar, Vargas Llosa; its first literary editor was the novelist Juan Carlos Onetti. Two of its editors were imprisoned by the Bordaberry dictatorship, which closed it down in 1975.

parading through La Paz with their rifles. I was deeply affected by this. Of course, the military was busily re-arming itself at the time, but still, the very fact that the miners had kept their weapons meant that the monopoly of legitimate violence had been broken. This made a substantial difference to the balance of forces for some time, creating what was effectively a miners' territory in the country.

I went to work with a Bolivian Trotskyist group, the Partido Obrero Revolucionario. It was one of two parties of that name formed by a split in the original Trotskyist core in 1954, over relations with the MNR—some argued for co-operation with the Paz Estenssoro government, others called for struggle against it. The division was similar to the left's debates over Peronism in Argentina. One of the PORs was led by Hugo González Moscoso and put out a paper called *Lucha obrera*; it was strong in the mines, among the peasantry and workers in some sectors in La Paz, and sought to understand why the organization of the masses in Bolivia had taken a nationalist political form. The other POR, led by Guillermo Lora, had its base in the mines at Catavi-Siglo XX, and its paper was called *Masas*. Lora was very critical of the MNR, and concentrated more on attacking the nationalist leadership. There were also some Trotskyists who held that the masses themselves were nationalist in character, and peeled off to join the MNR—among them such figures as Erwin Moller and Lidia Gueiler, who eventually became interim President of Bolivia for eight months.

I was based in La Paz to begin with, and then in the mining town of Oruro. Both of them were very different places from what I had known in Buenos Aires, but I was still living in a world of workers that was familiar to me. Bolivian miners, though, were not industrial workers as in Argentina or the US—they were still tied to the land in many ways, almost a kind of industrial peasantry. In that sense they were like the figure of the worker in Gramsci, in whom north and south Italy combine. The time I spent in Bolivia was marked by constant attempts by the nationalist government to assert control over the miners and peasants. The MNR openly took the Mexican PRI as its model, hoping to replicate its success in setting up a nationalist state out of the Revolution. The miners, meanwhile, maintained their militias, and in the mid-50s began to set up their own radio stations, which helped to co-ordinate struggles among mines that were large distances apart.

What would you say are the specificities of Bolivia, compared to other Latin American countries?

The weight of the mines in that society is one important difference. Another is that, historically, the dominant class in Bolivia was much poorer than elsewhere. Colonial Peru had the pomp of the viceregal court in Lima, and a coastal oligarchy that lived on after independence; Mexico had the court and culture of New Spain. Bolivia was locked away in the *altiplano*, cut off from the sea, and for a long time seemed to be a mining enclave that had to ask its neighbours' permission to get its products to the coast and out into the world's markets. On a personal level, I was struck by a difference in the sense of time. To begin with I put it down to poor time-keeping, or lack of discipline, or the habits of peasant life. But then I realized it was just another way of dealing with time. When I went to Europe in 1960, someone asked me what the difference was between Amsterdam and La Paz, and I replied: 'Here all the public clocks show the same time, whereas over there each shows whatever time it likes.'

What were your impressions of the European left in the early sixties, and of the intellectual scene?

I spent the years from 1960 to 62 working at the Secretariat of the Fourth International. I met Ernest Mandel in Brussels in the spring of 1960, when he was just finishing his *Traité d'économie marxiste*. I went to see him about getting travel documents for some Algerian comrades, and remember being very struck by his old house and his enormous number of Bach records. It was around this time that the break between Mandel and Pablo was unfolding, which I imagine was very painful for both of them. Pablo was at that time in prison in Holland for his activities in support of the Algerian Revolution. Moscow characterized the Algerian war of independence as a bourgeois nationalist movement which deserved no backing, while the Socialists were part of the French government that was fighting the Algerians with torture, blood and fire. The Algerians had to organize their own networks and even set up a secret arms factory in Morocco, where some Trotskyist metalworkers—Argentines and Greeks—had gone to work. But the Algerian Revolution brought to the fore the differences between Mandel and Pablo I mentioned earlier. The first focused his hopes on proletarian revolution, the second on national and anti-colonial movements. Though neither of them posed it

in that way, these different visions led to different priorities and forms of struggle. When Pablo pressed to put the Fourth International fully behind the Algerian Revolution, Mandel resisted it. The rupture was complex and confused, but from then on Mandel took over from Pablo as leading figure in the organization.

That same year I also spent time in Italy. There I found the Trotskyists to be more focused on political questions—what line should be taken—rather than on the very real changes that had taken place in the factories. Automation had brought about significant shifts in the labour process, and it seemed to me that there had also been a shift in the mode of domination, which needed to be understood in order to develop different forms of labour organization. When I was there, I witnessed the beginnings of the *autonomia* movement and workers' councils. In my view these were exactly like the internal commissions set up in factories in Argentina in the 1940s, and which had been misunderstood by much of the left. The rebirth of these councils in many ways prepared the way for the hot autumn of 1969. The current that seemed to me closer to these preoccupations was the *Quaderni rossi* group, which developed the form of the 'worker's enquiry'. It struck me that the enquiries were focused on the same question that always interested me—what do these people want?

You then spent time in Cuba. What was your experience of the place, in the wake of the revolution?

I was in Cuba from 1962–63, again officially as a correspondent for *Marcha*. The Cuban hierarchy knew I was a Trotskyist, but as long as I didn't openly do any political organizing, my presence was not a problem—that is, until 1963, when I was put on a plane to Italy. I remember the atmosphere during the Missile Crisis, when I was very impressed by the people's readiness to defend the Revolution. There were signs saying 'To Arms!' all over Havana, and members of the popular militias doing their exercises in the rain. There was no sign of alarm or terror, only a refusal to bow before the atomic threat. It was this non-acceptance, which everyone to this day remembers, that saved Cuba and the Revolution, and was a real moment of glory.

In the mid-60s you were active in Guatemala, supporting leftist guerrillas there against the Peralta dictatorship. What was distinctive about the Movimiento Revolucionario 13 de Noviembre (MR-13) as a political formation?

The origins of MR-13 lay in a military revolt by young nationalist lieutenants in November 1960. The main leader, Augusto Vicente Loarca was older than the others, at forty-eight; Augusto Turcios and Marco Antonio Yon Sosa were in their early twenties. They rebelled both on anti-imperialist grounds, against the use of Guatemala as a base for us attacks on Cuba, and for the completion of the agrarian reform that had begun under Jacobo Árbenz, but been aborted after the CIA-sponsored coup that toppled him in 1954. The MR-13 grouping formed part of a long line of military nationalists in Latin America. In Bolivia, it starts with Germán Busch in 1937-39, and continues with Gualberto Villarroel in 1943-46 and Juan José Torres in 1970. In Mexico there was Cárdenas, and in Cuba the Joven Cuba movement of Antonio Guiteras in the 1930s. You could say Hugo Chávez belongs to this same tradition, as a nationalist soldier confronting imperialism with the support of a mass movement.

In Guatemala the nationalist, anti-imperialist movement begins with Arbenz and continues with the young officers of MR-13. There is a clear continuity—Loarca had even served with Arbenz. But MR-13 marked a distinctive programmatic development. Part of the movement was allied with the local Communist Party, the PGT, which wanted to subordinate the soldiers to its own political line; this hinged on a 'stageist' approach—first the bourgeois democratic revolution, then the struggle for socialism. But for many in MR-13, they had already experienced the bourgeois revolution, with Arbenz, and they had seen agrarian reform but no change in social relations. It seemed logical to them that the revolution had to be socialist. So the MR-13 adopted socialist revolution as its platform—the first Latin American guerrilla movement to do so, making explicit what had been implicit in Cuba. This was an important step, and was immediately seen as such: it was emulated by the MIR in Peru, a section of the FALN in Venezuela, and by groups in Uruguay, Argentina, Brazil. It also prefigured Che Guevara's celebrated statement, 'Either a socialist revolution or a caricature of revolution'.

The Guatemalans arrived at this decision themselves, but there were two important outside influences. Firstly, the example of Vietnam, which was in everyone's minds in the mid-60s. The guerrillas knew all about the Vietnamese villages that had organized themselves in resistance, they read the reports of Wilfred Burchett. Second, there were the Mexican Trotskyists of the POR, with whom MR-13 had entered into contact,

seeking support. The Mexicans debated and discussed with them, but far more importantly they sent militants to help MR-13 and smuggled arms across the border, breaking the Guatemalan Communists' control over the weaponry the movement received. I was in Guatemala for part of 1964 and all of 1965, and travelled with the guerrillas in the central highlands of the Sierra de las Minas. I wrote a report about it, published as a book at the time, which circulated a great deal in Latin America.³ Régis Debray's *Revolution in the Revolution*, which came out two years later, is in part a polemic—though Debray does not name it directly—against the current I was describing, and against the platform that was agreed at the MR-13's conference in December 1964. I remember having a theoretical discussion there with Yon Sosa about the programme. He insisted that the movement proclaim an 'agrarian and socialist revolution', while I told him that the second term necessarily included the first. He agreed, but said people would not understand, so it had to remain in the programme. And he was right. The urban and industrial labour force had been the base for proletarian revolutions in Europe and parts of Latin America in the past. But this had left out the immense mass of humanity—the peasantry, the rural population, the indigenous, and the vast colonial world. As I see it now, it is the revolt of the colonial world that gives the twentieth century its meaning.

In 1966, you were arrested in Mexico on your way back to Guatemala, and then spent six years in Lecumberri Prison. What was the prison regime like?

I had been in Mexico barely two weeks before I was arrested. The police had been looking for someone else in their sweep, but decided to bring me in too, and when it transpired I was on my way to Guatemala, they locked me up for six years in Lecumberri. Today the prison building houses the National Archive, whereas before it was me who had been archived . . . I spent three or four months in cells with ordinary prisoners, which was something of an education. They treated me and the other politicals well—perhaps under instructions to leave us alone. After this, though, all the politicals were put together in N-block, where we organized ourselves. We emptied out one cell to use as a kitchen, organized cleaning rotas, pooled all resources and materials sent in from outside. We managed to arrange things so that eventually the guards didn't even enter our block; at one point we put up a sign saying 'N-Block: Free Territory

³ *El movimiento guerrillero en Guatemala*, Buenos Aires 1965; published in English the same year in two parts by *Monthly Review*.

of Lecumberri', which the guards, unamused, rapidly took down. The prison regime itself was relatively soft: we had a tv, newspapers, and could get books from outside; one prisoner even managed to get a piano brought in—it was wheeled down the corridor by four guards.

Of course, it was unjust that I was there at all, but the regime was almost like a monastery. It was good to be insulated from all the turbulence of political praxis—which deputy voted how, getting leaflets out, and so on. I had time to read a lot of literature, and read all of *Capital* again. As an experiment, I read the eleven or twelve volumes of the Marx–Engels correspondence chronologically, from cover to cover, in order to follow the course of the two men's thought as they were writing to each other. I read Hegel, and re-read Trotsky's *History of the Russian Revolution*. In a sense, prison also saved my life: one of the Mexican police agents who beat me once or twice told me I should be thankful, since the Guatemalans were 'real sons of bitches'; and it's true that all my comrades there were killed by the Guatemalan security services.

You were in prison in Mexico during the events of 1968. What was their resonance in Lecumberri?

We kept close track of world events on tv and in the newspapers, and each group in prison was in contact with its comrades outside. The number of prisoners swelled by about 250 after the Tlatelolco massacre and the crackdown that followed, but then shrank down to seventy or so. I remember watching the Olympics on tv—the broadcast was accompanied by the Orwellian slogan 'everything is possible in peace'—and seeing the Black Power salutes of the us athletes as well as the Czech gymnast holding her arm across her chest, head bowed, when the Soviet anthem was played. At the time, not many people would have thought we were living through a major historical change, though they might have felt it at some level. But it wasn't so much France that influenced us as Vietnam, which was where 68 really began, with the resistance to the war in the us itself.

*It was in Lecumberri that you wrote *La revolución interrumpida*, the first serious history of the Mexican Revolution written from the left. You trace the arc of the revolution across the decade 1910–20, from the disintegration of the ancien régime of Porfirio Díaz through its successive phases: the triumph of the liberal wing of the bourgeoisie under Francisco Madero in 1911; his*

two-year presidency, marked by its failure to suppress the peasant insurgency of Emiliano Zapata in the south, and ending in his ouster and assassination by General Huerta in 1913; the defeat of Huerta in 1914 by bourgeois Constitutionalist forces; and, finally, what you describe as a 'long, grim downturn' from 1914 to 1920, as the Constitutionalist armies pushed back the peasant armies of Zapata and Pancho Villa, eventually quelling their resistance. What prompted you to begin this project, and what inspired your interpretation of these events?

An old leftist teacher, Nicolas Molina Flores, who was also imprisoned in Lecumberri came up to me one day and said I should write a book about the Mexican Revolution. To begin with I dismissed the idea. Of course, I had long been aware of it: until Cuba, the Mexican Revolution was *the* revolution for Latin Americans, and it had a mythical significance for my generation. For example, the second issue of *Rebeldía*, the student paper I worked on, carried an Orozco painting on its cover, and a reproduction of Rivera's mural from Bellas Artes as its centrefold. But my interest in the idea of writing on the Mexican Revolution grew after reading more of the existing books on it. In Jesús Silva Herzog's official history from 1958, written from the left wing of the PRI, everyone was a good guy, and it was totally unclear why they all ended up killing each other. The Communist Party books on the subject were boring and badly written.

The key, as I saw it, was to find the inner impetus behind the movements of the masses—not who won which battle, but what the hell all these people wanted. The idea for the architecture of the book came from Trotsky's prologue to his *History of the Russian Revolution*, where he describes the curve of the Revolution. My idea was to try to establish the equivalent shape for the Mexican Revolution. In my account, the culmination came not with the signing of the Constitution of 1917 in Querétaro, as in official accounts, but with the occupation of Mexico City by Villa's and Zapata's armies in December 1914. Villa's División del Norte had inflicted a crushing defeat on government troops at Zacatecas in the summer of 1914, and at the Aguascalientes Convention that October he and Zapata joined forces to insist on a programme of land redistribution. The country was at boiling point. But after they marched into the capital in December, the two peasant leaders did not know what to do with it. The person who did know what to do was Álvaro Obregón, who was able to exploit the political weakness of *villismo*, and eventually break it apart. From that point on, the Revolution traces a long,

descending curve. In fact, it was only when things had calmed down sufficiently that the Constitution was signed in 1917. In the first version of the book I explained Villa's and Zapata's failure by the lack of a proletarian leadership. This was teleological and stupid; I took it out of the English translation, and then adjusted the Spanish editions.⁴ When I finished the book, I sent it from prison to several publishers, but none of them took it on. It was thanks to Rafael Galván, the former leader of the electricians' union and a sympathizer of Trotsky's, that it got published. Galván, a Cardenista who later became a PRI senator, rang El Caballito publishers and urged them to do it. The book came out in 1971 and went through four editions in the space of a few months.

What happened after your release?

I was released in 1972, and deported to France. I spent the next four years in Europe, mainly in France and Italy. In Paris I joined the local *posadista* section of the FI and took part in its meetings. But I found I didn't understand anything; the atmosphere was conspiratorial, sectarian and rigid. I had felt much freer in prison. In any case, a sect of whatever kind is a prison for thought. After a year and a half, I left. This marked my definitive break with what had been the party of Posadas. In hindsight, the break had been in preparation while I was in prison. A Mexican friend who read *La revolución interrumpida* had told me I would be thrown out before long—that the book was written by a person who was clearly on a different path from the party of which he was a member. I returned to Mexico in 1976, and secured a teaching job at UNAM; I've been based there ever since.

*You wrote a great deal on the Central American guerrilla movements of the late 70s and early 1980s—notably in the books *La nueva Nicaragua* (1980) and *Guerra y política en El Salvador* (1981). What connections do you see between these and the earlier Guatemalan experience, and the reasons for their failure?*

I'm not sure one can speak of failure. They were defeated, rather than simply failing. And in each case, the experience remained. As for the relations between them, this is a subject that would require a long discussion. For me, MR-13 represents a continuation of Arbenz's nationalist

⁴ *The Mexican Revolution*, translated by Patrick Camiller, London 1983.

movement. Other Latin American guerrillas, whether led by Communists or Castroists, were something different. In Nicaragua, for example, the Sandinistas came from the revolutionary petty bourgeoisie, and though their struggle was also agrarian, they were linked to Cuba, whereas MR-13 was not. In Guatemala, both types were actually present, and there were disputes between them. The case of Guatemala is particularly terrible because there were two waves: the first was defeated in 1967, the second began in 1972. This second wave was very different from MR-13: it no longer had the socialist programme, for example.

What about the indigenous component of these movements?

This only began to come to the fore, or rather re-appear, in Guatemala in the 1970s. Of course, the indigenous themselves were present beforehand—all the peasants are indigenous, and a peasant revolution is an indigenous one—but the revolution was defined in other terms: nationalist, socialist, agrarian. In Guatemala's second wave, the indigenous component gained enormous salience. There were massacres of the indigenous, and Rigoberta Menchú became a real symbol in this period. But perhaps the real novelty came with the EZLN in Mexico, which on 1 January 1994 seized four towns by force. This was a purely indigenous movement, putting forward indigenous demands, speaking indigenous languages. Its success has strongly influenced indigenous movements in the rest of Latin America, which had never ceased to exist, but now re-emerged. In each place, they acted in accordance with their own genealogies of rebellion: in Bolivia, the Aymaras and Quechuas have traditions of revolt dating back to Túpac Katari's uprising of 1781. The Peruvians and Guatemalans have their own genealogies too.

It's these genealogies that I constantly look for—the continuities between earlier nationalist upsurges and the anti-imperialist rebellions of the 1960s, or those of the indigenous movements. I insist very stubbornly on drawing a distinction between genealogies and politics—not in order to oppose one to the other, but to find genealogies that in many cases explain the political choices. Tactics and strategy can normally be traced to a particular economic situation, the influence of a mass movement or the position of a given state. But the genealogy of the movement which is manifested in that situation is something different. The predecessors of the Bolsheviks were the Russian Populists, the Paris Commune's

antecedents lie in the French Revolution and 1848. Each space has a different formation, giving rise to a different genealogy.

In 1994 you published a book on Cárdenas, with the subtitle A Mexican Utopia, in which the nationalization of Mexico's oil in 1938 serves as the focal point for an exploration of the character and trajectory of cardenismo as a whole.⁵ How do you see the relation between this and your earlier work?

I see Cárdenas as the continuation and conclusion of the Revolution. What had been interrupted—hence the Spanish title of the earlier volume—was finished there. Communists tended to ignore or patronize Cárdenas, and all but two Trotskyist currents considered him a national-bourgeois. The exceptions were Trotsky himself and Posadas's section, which saw Cárdenas as a petty bourgeois soldier supported by the workers' and peasants' movements. He was much more radical than Perón—Cárdenas did all he could for the Spanish Republic, and distributed 20 million hectares of land to the peasants. I am now planning a third volume on the Mexican Revolution, completing a sort of trilogy. It will focus on the División del Norte, led by Pancho Villa and Felipe Ángeles. The destruction of the army of the old regime in formal battle by peasants, miners, railwaymen and cowherds profoundly altered power relations in Mexico.

Apart from your historical work, you've also played an active part in Mexican political struggles.

Yes. For example, I took part in the university strike at UNAM in 1986–88, as one of a minority of professors supporting the students' protests against the introduction of tuition fees. Many things were at stake, but the main point was whether public education remained free—whether it remained a right, rather than a service. It was about defending a certain form of republic. That time we won, but by the time of the next strike, in 1999–2000, an extreme version of neoliberalism had been pushed through under Salinas and Zedillo; the students were poorer and angrier, and the government was much further to the right. A much smaller minority of professors backed the movement this time around. I was not on the front line, but wrote numerous articles in support of

⁵ *El cardenismo, una utopía Mexicana*, Mexico 1994.

the students. Although police broke up the campus occupation, the campaign was at least successful in once again preventing tuition fees from being introduced.

The other way in which I am politically involved is through my support for the Zapatista rebellion. As I mentioned, the EZLN is an indigenous movement, joined by some radical elements from the middle class, such as Marcos himself. I come from a different matrix, but I respect them tremendously. I had an exchange with Marcos about Carlo Ginzburg's celebrated essay on 'Clues', which I had sent him; Marcos wrote me a long letter by way of response, saying he hadn't seen what the point of the essay was, and I replied, in comradely fashion, pointing out where Marcos had misread or misunderstood Ginzburg.⁶ We have our differences, and I expressed some of these at the Zapatistas' 'Festival of Dignified Rage' in Chiapas in January 2009. But I continue to support them. In recent months they have closed themselves off, and maintained virtual silence. For the moment they are dug in, keeping the people organized in resistance, in a sort of unstable equilibrium. But the government hasn't been able to suppress them.

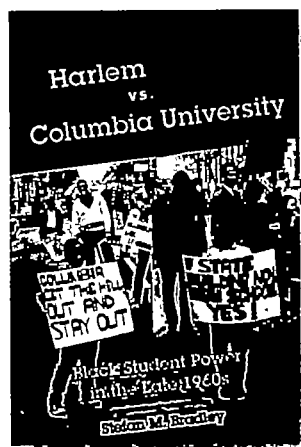
Viewed from outside, the Mexican left seems to be in disarray, and yet there are still many signs of a living left culture, not least in a paper like La Jornada. How do you explain this disparity?

I think one has to draw a distinction between the established left parties and the broader left. The PRD, after all, is at best an anti-neoliberal nationalist party which originated in the PRI, whereas *La Jornada* is fed by a much broader left culture. But at present, in Mexico as elsewhere, the space for a revolutionary left simply doesn't exist. This is because of the form that capitalism takes today, rather than being the fault of any particular individuals. The place formerly occupied by unions, workers' and peasants' organizations and their political reflections has shrunk, and politics has become the exclusive domain of capital and its negotiators. Yet the masters of the world are having to pay a price for this: an expansion of the space occupied by rage and fury. In Mexico, the anger has grown as a result of a series of disasters in the past twenty

⁶ The Ginzburg text is 'Clues: Roots of an Evidential Paradigm' (1979), in Ginzburg, *Clues, Myths and the Historical Method*, Baltimore 1989. The three texts—Ginzburg's, Marcos's letter and Gilly's reply—were published, together with an interview with Marcos, as *Discusión sobre la historia*, Mexico 1995.

years: the electoral fraud of 1988, the assassinations of hundreds of PRD activists under Salinas, the violation of the San Andrés Accords by the Zedillo government, the new electoral fraud in 2006, the repression in Oaxaca and Atenco, not to mention the stream of deaths in Ciudad Juárez and elsewhere—there are now fifty people being killed every day on the streets of Mexico, half of them tortured before being killed. There is much more rage now than before. I know what rage is, I have lived it with many people, in Cuba, Bolivia and now in Mexico. In circumstances like these, you need a lot of anger.

NEW FROM ILLINOIS



Harlem vs. Columbia University
Black Student Power in the Late 1960s
 STEFAN M. BRADLEY

"A valuable scholarly contribution
 chronicling one of the most tumultuous
 periods in America's racial history."

—*The Journal of Blacks in Higher Education*

"A powerful story that needs to be told.
 Bradley places the student movement at
 Columbia in the 1960s within the larger
 context of local black politics and concerns,
 exploring the links between campus activ-
 ism, community protest, and public policy."

—Leonard N. Moore, author of *Carl B.
 Stokes and the Rise of Black Political Power*

Illustrated. Cloth 978-0-252-03452-7 \$40.00

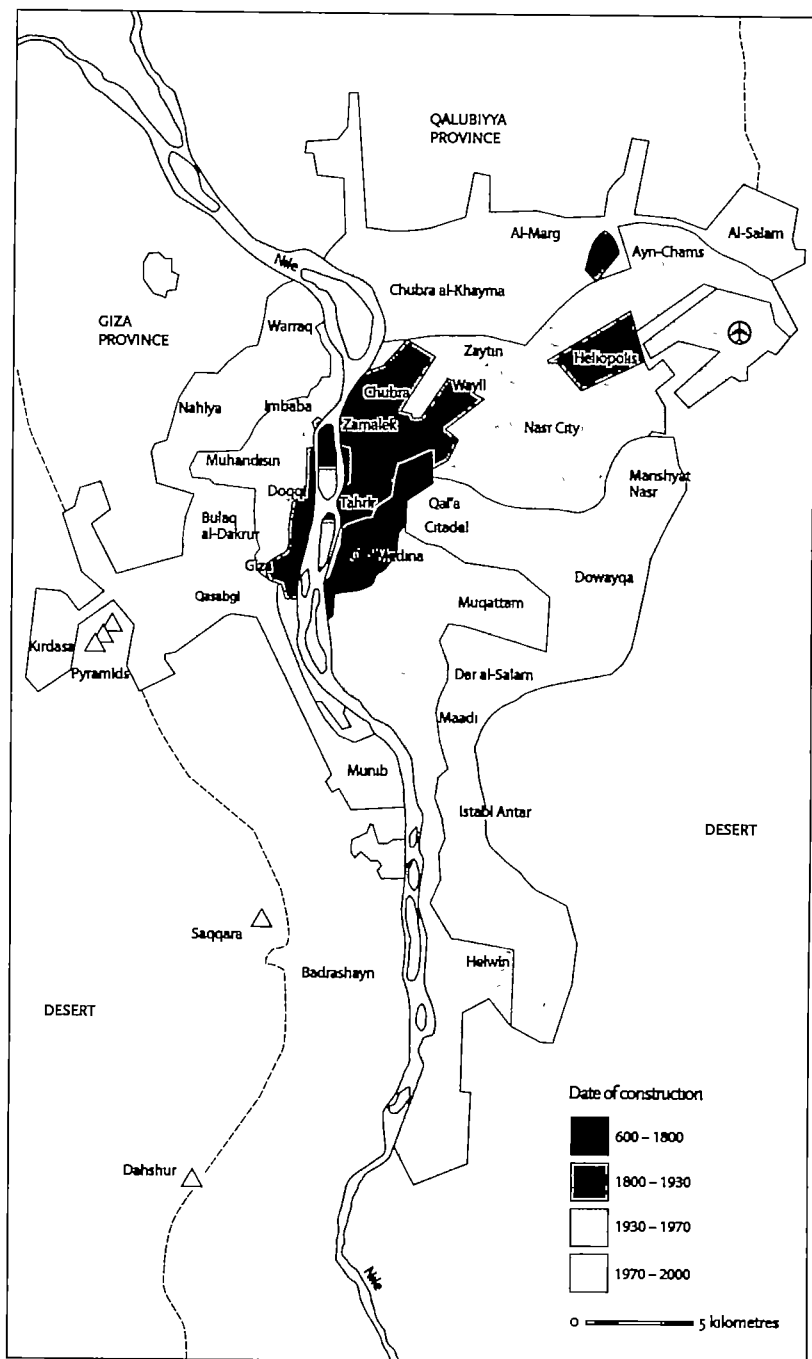


UNIVERSITY OF ILLINOIS PRESS

Publishing Excellence since 1918

www.press.uillinois.edu

Map of Greater Cairo



THE NEW EGYPTIAN NOVEL

Urban Transformation and Narrative Form

ONCE THE CULTURAL and political beacon of the Arab world, Cairo is now close to becoming the region's social sump. The population of this megalopolis has swollen to an estimated 17 million, more than half of whom live in the sprawling self-built neighbourhoods and shantytowns that ring the ancient heart of the city and its colonial-era quarters. Since the late 1970s, the regime's liberalization policy—*infitah*, or 'open door'—combined with the collapse of the developmentalist model, a deepening agrarian crisis and accelerated rural–urban migration, have produced vast new zones of what the French call 'mushroom city'. The Arabic term for them *al-madun al-'ashwa'iyyah* might be rendered 'haphazard city'; the root means 'chance'. These zones developed after the state had abandoned its role as provider of affordable social housing, leaving the field to the private sector, which concentrated on building middle and upper-middle-class accommodation, yielding higher returns. The poor took the matter into their own hands and, as the saying goes, they did it poorly.

Sixty per cent of Egypt's urban expansion over the last thirty years has consisted of 'haphazard dwellings'. These districts can lack the most basic services, including running water and sewage. Their streets are not wide enough for ambulances or fire engines to enter; in places they are even narrower than the alleyways of the ancient *medina*. The random juxtaposition of buildings has produced a proliferation of cul-de-sacs, while the lack of planning and shortage of land have ensured a complete absence of green spaces or squares. The population density in these areas is extreme, even by slum standards. The over-crowding—seven people per room in some neighbourhoods—has resulted in the collapse

of normal social boundaries. With whole families sharing a single room, incest has become widespread. Previously eradicated diseases such as tuberculosis and smallpox are now epidemic.¹

The generation that has come of age since 1990 has faced a triple crisis: socio-economic, cultural and political. Egypt's population has nearly doubled since 1980, reaching 81 million in 2008, yet there has been no commensurate increase in social spending. Illiteracy rates have risen, with schools starved of funds. In the overcrowded universities, underpaid teaching staff augment their income by extorting funds from students for better marks. Other public services—health, social security, infrastructure and transportation—have fared no better. The plundering of the public sector by the kleptocratic political establishment and its cronies has produced a distorted, dinosaur-shaped social structure: a tiny head—the super-rich—presiding over an ever-growing body of poverty and discontent. At the same time, youth unemployment has been running at over 75 per cent.

The cultural realm, meanwhile, has become an arena for bigoted grandstanding, prey to both official censors—the long-serving Minister of Culture, Farouk Husni, showing the way—and self-appointed ones, in parliament and the broadsheet press.² In the political sphere, the Emergency Law, in place since 1981, has been punctiliously renewed by an almost comically corrupt National Assembly. The notorious Egyptian prison system has been made available to US, British and other European nationals subject to 'extraordinary rendition'. Since Sadat's unilateral agreement with Israel in 1979 a widening gulf has grown between popular sentiment and the collusion of the political establishment with the worst US–Israeli atrocities in the region, and its *de facto* support for their successive

¹ Some 600,000 people are crammed into 2 square kilometres in the Munira quarter of Giza; over 900,000 live in 3 square kilometres in western Giza's Bulaq al-Dakrur and Shurbaji districts—an average of 3 square metres per person; the acceptable norm is 30 square metres. See the seminal study by Abu-Zaid Rajih, 'Al-Insan wa-l-Makan: al-Qahirah Namudhaja' [Man and Space: A Study of Cairo], in *Misr: Nazarat Nahwa al-Mustaqbal* [Egypt: Future Perspectives], ed. Shukri Muhammad 'Ayyad, Cairo 1999, p. 123. See also André Raymond, Cairo, trans. Willard Wood, Cambridge, MA 2000; and Jalila al-Kadi, *L'urbanisation spontanée au Caire*, Tours 1987.

² See Hafez, 'The Novel, Politics and Islam: Haydar Haydar's *Banquet for Seaweed*', NLR 5, Sept–Oct 2000.

wars: invasions of Lebanon, Desert Storm, occupations of Afghanistan and Iraq. Egypt's marginalization as a regional power has only increased the younger generation's sense of despondency and humiliation.

It is within this unpropitious context that a striking new wave of young Egyptian writers has appeared. Their work constitutes a radical departure from established norms and offers a series of sharp insights into Arab culture and society. Formally, the texts are marked by an intense self-questioning, and by a narrative and linguistic fragmentation that serves to reflect an irrational, duplicitous reality, in which everything has been debased. The works are short, rarely more than 150 pages, and tend to focus on isolated individuals, in place of the generation-spanning sagas that characterized the realist Egyptian novel. Their narratives are imbued with a sense of crisis, though the world they depict is often treated with derision. The protagonists are trapped in the present, powerless to effect any change. Principal exponents of the new wave would include Samir Gharib 'Ali, Mahmud Hamid, Wa'il Rajab, Ahmad Gharib, Muntasir al-Qaffash, Atif Sulayman, May al-Tilmisani, Yasser Shaaban, Mustafa Zikri and Nura Amin; but well over a hundred novels of this type have been published to date. From their first appearance around 1995, these writers have been dubbed 'the 1990s generation'.

The Egyptian literary establishment has been virtually unanimous in condemning these works. Led by the influential Cairo newspaper *Al-Akhbar* and its weekly book supplement *Akhbar al-Adab*, its leading lights conducted a sustained campaign against the new writers for a number of years. *Ibda'*, the major literary monthly, initially refused to publish their work. The young writers were accused of poor education, nihilism, loss of direction, lack of interest in public issues and obsessive concentration on the body; of stylistic poverty, weak grammar, inadequate narrative skills and sheer incomprehensibility. Yet there has been little detailed critical scrutiny of this body of work and the new directions it suggests for contemporary Arabic literature; nor sustained attempts to relate it to the broader social and political context from which it has emerged.³

³ Honourable exceptions published in English include Samia Mehrez, *Egypt's Culture Wars: Politics and Practice*, London 2008; and Richard Jacquemond, 'The Shifting Limits of the Sayable in Egyptian Fiction', *MIT Online Journal of Middle East Studies*. See also Jacquemond's *Conscience of the Nation: Writers, State and Society in Modern Egypt*, Cairo 2008.

In what follows I will attempt to illustrate both the range and the commonalities of the new Egyptian novel. It has been argued that this work should be understood outside the limits of genre classification, in terms of a free-floating trans-generic textual space.⁴ Instead, I will suggest that these new novels do indeed share a set of distinct narrative characteristics; these involve both a rupture with earlier realist and modernist forms, and a transformation of the rules of reference by which the text relates to the extrinsic world. I will suggest that, whatever their actual settings, these works share demonstrable formal homologies with the sprawling slums of Cairo itself.⁵

A new genre?

The arrival of this new wave in Egyptian fiction was signalled in 1995 by the publication of a seminal collection of short stories, *Khutut 'al Dawa'ir* [Lines on Circles], from the small independent publishing house, Dar Sharqiyyat, under the direction of Husni Sulayman.⁶ The stories, by Wa'il Rajab, Ahmad Faruq, Haytham al-Wirdani and others, shared an affectless style, much closer to spoken than to written Arabic; and a turn away from 'great issues' to focus on the everyday, the inconsequential. This was followed in 1996 by Samir Gharib 'Ali's first novel *Al-Saqqar* [The Hawker].⁷ Its young anti-hero is Yahya, about to be made redundant as the state-owned factory where he is desultorily employed comes under the hammer of privatization. The backdrop is Egypt's participation in the first Gulf War, and themes of prostitution recur throughout. Yahya's main preoccupation is his insatiable sexual appetite, though his

⁴ This was the approach advocated by Edwar al-Kharat, who coined the term, *al-kitaba 'abr al-naw'iyya*, or trans-generic writing, in an attempt to free discussion of this body of work from the conventions of narrative criticism.

⁵ I would argue that this new narrative form is a trans-Arab phenomenon; examples can also be found in Lebanon, Syria, Iraq, Tunisia and Morocco. This study will confine itself to Egypt, in order to provide a detailed picture of the socio-cultural context within which this genre has emerged, and to demonstrate the homologies between the two. To do so for the whole Arab world would be beyond the scope of this essay, but it is to be hoped that a limited case study may nevertheless be able to shed light on what is taking place across the region.

⁶ Other significant sites for the new writing have been the publishing house Dar Merit, founded in 1998 by Muhammad Hashim, and the underground review *Al-Kitaba al-Ukhra* [Other Writing], published between 1991 and 2001 by the poet Hisham Qishta.

⁷ Samir Gharib 'Ali, *Al-Saqqar* [The Hawker], published by al-Hay'ah al-Misriyyah al-'Ammah li-l-Kitab, Cairo 1995.

exploits are tinged with desperation. The short work is densely peopled with uprooted characters—Sudanese and Somalis, political refugees, displaced migrant and white-collar workers—of the same age group. Yahya's friends are all jobless, with no direction or role in life. The dream of getting a position in an oil-rich state—'the country that's named after a family', as Adam, a young Somali, puts it—has evaporated with the Gulf War and the end of the oil-boom. The sharp, cynical outlook of the male characters is belied by their impotence to bring about any change in their situation.

Three powerful female characters suffer asymmetric fates. Mastura, a village girl, has escaped to Cairo after being marked for an honour crime. Yvonne, an educated middle-class Copt, is waiting, haplessly, for news from the US, where her former lover is trying to get a green card. Melinda is a French researcher, investigating the condition of her sex in Egypt. Setting out to 'avenge' the situation of the Arab woman in general, she flaunts her emancipation 'as if Napoleon's fleet is at the gates of Alexandria', according to Yahya, who regales her with scandalous stories about his forbears during their love-making. Yahya moves between Melinda's luxurious apartment in Zamalek, an affluent quarter of Cairo's colonial-era 'second city', and his marginalized friends in the 'third city', *al-madun al-'ashwa'iyyah*, offering a sharp contrast between the adjacent worlds. Yet he is also lost and manipulated in the French girl's spacious flat, while skilfully manoeuvring his way through the maze of poorer streets, where he always knows when to find his friends at home. Mastura shares a room with an old woman, Mama Zizi, on the ground floor of a 'tall thin house in a narrow alley, with balconies extended like dogs' tongues, dripping tar'. Mama Zizi does not speak or move, but 'when I have sex with Mastura, she turns her face to the wall'; outside the broken door, the ground floor neighbours fight and insult each other. The style has a harsh matter-of-factness, endowing—for example—an account of a gang rape at the local police station with the banality of an everyday event: 'Mastura came back at midday, depressed and exhausted. I tried to make her tell me what had happened, but she said nothing. I left her to sleep, and when she woke up I took her in my arms. She started to cry, and told me . . .' There is no attempt to dramatize oppressive relations, as if some other outcome could be possible; simply a recording—'depressed and exhausted'—of their intolerable existence. The use of multiple narrators, repetition—key sentences recurring—and a circular structure establishes a narrative hall of mirrors. The same

action will be perceived in three different timeframes: anticipated by a narrator, imagined by another character, or as related at the moment of its occurrence. The effect is to create a powerful sense of inescapability.

Predictably enough, *The Hawker* came under attack from one of *Al-Akram*'s leading columnists, Fahmi Huwaydi, who denounced it as 'satanic, nihilist writing which ruins everything that is religious—be it Islamic or Christian—and all moral values', and called for the novel to be banned. The publisher, the General Egyptian Book Organization, withdrew the book, and Ali fled to France.⁸ His second novel *Fir'aawn* [The Pharaoh], published in 2000, shifted the setting from the city to the country: rural Minufiyya, the most densely populated province of Lower Egypt.⁹ A petty thief, the lame 'Isam, tells the story of his friend and fellow convict Sayyid, whose nickname is the Pharaoh. A village school-teacher driven from his post by the Mabahith, Egypt's political police, the Pharaoh leads the life of a fugitive, without having committed any crime; he is constantly on the run, trying to make ends meet and to feed his hungry dependents. The two men ride on the rooftops of trains, the normal means of transport in Egypt for the very poor, until Sayyid dies in his early thirties, falling onto the track. The narrative is fragmented, self-reflexive; the sense of the marginalized's vulnerability to events is re-enacted in the telling of the tale. Again, the work is crowded with characters, as is Minufiyya itself; rich in what might be called sub-plots, though ironically so, in the absence of a main plotline. It is the picture of a decaying society, reflected in the mirror of its recent past.

A notable characteristic of these works is their concentration on the tangible minutiae of everyday life, on stopped moments of time. Wa'il Rajab's novel in five chapters, *Dakhil Nuqtah Hawa'iyyah* [In an Air Bubble], published in 1996, relates the story of three generations by concentrating on 'the visible part of the iceberg', without resort to the syllogisms of the family saga.¹⁰ Like *The Pharaoh*, it is largely set in rural Egypt. A few events, undramatic and non-sentimental, are subjected to detailed investigation; from these fragments, the reader reconstructs the

⁸ The director general of the EGBO, Samir Sarhan, is an advisor to the influential Wahhabi, Shaikh al-Fasi. *The Hawker* had been published in a series of 'New Writings' (*Kitabat Jadida*), under the editorship of the novelist, Ibrahim Abdel-Meguid.

⁹ Samir Gharib 'Ali, *Fir'aawn* [The Pharaoh], published by Dar al-Jamal, Cologne 2000.

¹⁰ Wa'il Rajab, *Dakhil Nuqtah Hawa'iyyah* [In an Air Bubble], published by Dar Sharqiyyat, Cairo 1996.

family's trajectory and the fates of its protagonists. The first chapter is entitled 'The Click of the Camera', suggesting a technique of neutral representation; yet this is laced with implicit sarcasm, and undercut by terse, economical prose. As in Haykal's *Zaynab*, Egypt's first great novel, published in 1912, it opens with the hero, Muhammad Yusuf, waking at dawn. But we soon realize that his world is the opposite of *Zaynab*'s, with its open horizons. Muhammad has witnessed the last phase of his father's dreams of progress, but lives the bitter disappointment of Egypt's aspirations; his own son predeceases him. The fragmented narrative becomes a reflection of the family's disintegration, the frustration of its ambitions and of Egyptian hopes for a better future.

Constructed, again, through the complex intersection of different points in time, with multiple narrators, Mahmud Hamid's *Ahlam Muharrama* [Forbidden Dreams], published in 2000, contains a striking examination of the return of the traditional strong man, the *futuwwa*, within the lawless setting of Cairo's 'third city'.¹² But whereas the old *futuwwa* was bound by a code of gallantry and magnanimity, the new one is merely a thug, motivated by greed, aggression or religious bigotry. In a chapter entitled 'Sunday, 17 September 1978'—the day of Egypt's signing of the Camp David Accords—Farhah is raped by 'Uways, the *futuwwa* of the Kafr al-Tamma'in quarter; as so often in the Arabic novel, the woman stands in for the country. Farhah's family do not dare to retaliate against the strongman, but instead cleanse their honour by killing the girl herself. The novel's final chapter is set, once again, against the backdrop of the Gulf War. Faris, a young journalist, spends his final evening before returning to his job in the Gulf with some friends in a Cairo bar. As they say goodbye, aspects of his life flood through his mind and he—'you': the narrating 'I' here casts the protagonist in the second person—finds himself throwing up below one of the stone lions on Kasr al-Nil Bridge,

¹² Mahmud Hamid, *Ahlam Muharrama* [Forbidden Dreams], published by Qusur al-Thaqafa, Cairo 2000. The '1990s generation' continues to play cat-and-mouse with the censors. Hamid's *Ahlam Muharrama* was one of three new novels targeted for censorship in January 2001 by a newly elected Muslim Brotherhood MP, Gamal Heshmat, soon joined by Culture Minister Husni. The other two novels were Yasser Shaaban's *Abna' al-Khata' al-Rumansi* [Children of the Romantic Error] and Tawfiq 'Abd al-Rahman's *Qabla wa Ba'd* [Before and After]. The three had been published by the General Organization of Cultural Palaces in a series called 'Literary Voices', edited by the writer Muhammad al-Bisati, who was dismissed. The attacks followed the uproar in Cairo in April–May 2000 over the republication of the Syrian novelist Haydar Haydar's *Banquet for Seaweed*.

a relic of British imperialism. A riot-police van pulls up beside them: a congregation of four young men constitutes an illegal gathering under Egypt's permanent Emergency Law. Faris becomes defiant: 'you gasp for air and spit and say: let him do whatever he can!' Another riot-police van arrives, disgorgeing armed security forces:

You try to insult back those who insult you, but your voice does not come out. The soldiers encircle you all, pointing their guns at your backs, and a high-ranking officer comes out of the car, to be formally greeted by the officer who was beating you. He explains the situation. The high-ranking officer motions to the soldiers. They all start beating you with the butt of their guns. You scream, you all scream and no one . . .

The novel ends. By contrast, the schizoid narrator-protagonist of Ahmad al-'Ayidi's *An Takun 'Abbas al-'Abd* [To Be Abbas al-'Abd] finds himself confronting attempts by other characters to escape from the confines of the narrative altogether.¹² Pursuing a blind date—in fact, two: everything in this world is doubled—set up by his friend or alter ego, Abbas al-'Abd, the narrator finds the instruction 'CALL ME' and al-'Ayidi's actual cell-phone number, 010 64 090 30, scribbled on the Cairo shopping-mall walls. Written in a hybridized street Arabic from which official Egypt has all but disappeared, this mordant work opens with the statement, 'This is not a novel'. Ultimately, its serial duplicities are grounded in those of the national situation. 'Don't believe what you say to the others!', the narrator-protagonist warns his other self. 'Egypt had its Generation of the 1967 Defeat. We're the generation after that—the generation of I've-got-nothing-to-lose.'

Fractured, reflexive narratives predominate in the work of the women writers of this new wave. Somaya Ramadan's remarkable *Awraq al-Narjis* [Leaves of Narcissus] is one of the very few novels of this cohort to treat the once-classic theme of interaction with the West, a central concern in modern Arabic literature since the 19th century.¹³ It is also unusual in dealing with the world of the elite, here perceived through a mosaic of splintered identities, when the vast majority of these works deal with the marginalized middle or lower classes. Equally striking, Nura Amin's first

¹² Ahmad al-'Ayidi, *An Takun 'Abbas al-'Abd* [To Be Abbas al-'Abd], Dar Merit, Cairo 2003.

¹³ Somaya Ramadan, *Awraq al-Narjis* [Leaves of Narcissus], published by Dar Sharqiyat, Cairo 2001; published in English translation as *Leaves of Narcissus*, Cairo 2002.

novel, *Qamis Wardi Farigh* [An Empty Rose Coloured Dress], published in 1997, offered a vivid portrayal of alienated and fragmented selves. Her second, *Al-Nass* [The Text], written in 1998, which I read in manuscript, was too daring and experimental to find a publisher. Her third, *Al-Wafat al-Thaniya Li-Rajul al-Sa'at* [The Second Death of the Watch Collector], which appeared in 2001, is one of the most significant novels of the new generation.¹⁴ It deals with the disintegration of the Egyptian middle class, in a period when a tiny fraction of it was integrated into the new business elite while the majority was left stranded. The central character is 'Abd al-Mut'al Amin, the actual name of the author's father; Nura Amin herself appears as both narrator and daughter, left with only her father's sad collection of wrist watches after his death. The work is composed of four sections: 'Hours' selects five hours from 'Abd al-Mut'al Amin's life, the first from 1970, the last from the late 1990s; 'Minutes' records the moment of his death and the funeral rites. 'Seconds', the longest and most moving section, is Nura's attempt to reconstruct the trajectory of her father's career as a building contractor through the details of his daily life: his cars, from the little Egyptian-made Ramses of the 1970s, to the Fiat of the 80s and the Mercedes of the 90s, which breaks down in the desert; Amin spends the cold winter night stranded by the roadside, while the other cars whizz by. The final section, 'Outside Time', restores the memory of a patriotic family man, dazzled by the get-rich-quick promises of the *infitah* era, but destroyed by its corruption. In one scene, Amin drags his daughter up onto the scaffolding of his biggest construction site, a government office block, where they remain trapped: Nura is afraid to move lest she fall, and resentful of her father for bringing her up there as if she were a boy; Amin is angrily arguing with the workers, who are demanding their wages. His refusal to give kickbacks to those in command means that he never gets paid and, like many projects of the *infitah* period, the building never gets finished.

What common strategies do these varied works deploy? Most obviously, all reject the linear narrative of the realist novel. In its place they offer a juxtaposition of narrative fragments, which co-exist without any controlling hierarchy or unifying plot: Yahya's sexual conquests in *The Hawker*; the meaningless assault of the riot police in *Forbidden*

¹⁴ Nura Amin, *Qamis Wardi Farigh* [An Empty Rose Coloured Dress], Dar Sharqiyyat, Cairo 1997; Nura Amin, *Al-Wafat al-Thaniya Li-Rajul al-Sa'at* [The Second Death of the Watch Collector], 2001.

Dreams.¹⁵ Secondly, the private is no longer in dialectical tension with the public, mediated by the interior lives of the characters, as in the realist or modernist novel. The two are now in direct antagonism, with the fictional space of interior life correspondingly reduced. At the same time, characters typically experience themselves as isolated within social environments. 'We are a generation of loners, who live under the same roof as strangers who have similar names to ourselves. This is my father, this is my mother, and those are certainly my brothers and sisters. But I move between them as a foreigner meets other lodgers in the same hotel,' says the narrator of *To Be Abbas al-'Abd*. Thirdly, these narratives do not pose epistemological questions—how to comprehend the world; how to determine one's stance within it—nor posit any *a priori* points for departure, as the realist novel did. Instead, the new Arabic novel asks ontological questions: what is this narrative world? What are the modes of existence that the text creates?

Like the modernist novel, this new genre is preoccupied with its own textual deconstruction, seeking to lay bare the internal dynamics of its own artistic process; narrators are fallible, multiple, polyphonic. But unlike most modernist works, these are intransitive narratives, concerned with existence, rather than the effects of deeds. Finally, the erasure of previous novelistic conventions in these texts is not driven by the anticipation of any alternative ordering of reality, but by the desire to strip existing realities of any legitimacy. Stylistically, they re-examine the vocabulary of daily existence in order to demonstrate its emptiness. This has been misinterpreted as a failure to master the intricate rhythms of classical Arabic, with its rhetorical tropes of cohesion and stasis; it should rather be read as an attempt to offer an aesthetics of fragmentation, based on the ruins of what was. These narrative worlds are formed from the

¹⁵ Many other examples could be drawn from the works of 'Adil 'Ismat: *Hajis Mawt* [A Premonition of Death], Cairo 1995, *al-Rajul al-'Ari* [The Naked Man], Cairo 1998, and *Hayah Mustaqirrah* [A Settled Life], Cairo 2003, all published by Dar Sharqiyyat; of Husni Hasan: *Ism Akhar li-l-Zill* [Another Name for the Shadow], Cairo 1995, and *al-Musarnamun* [The Sleepy Ones], Cairo 1998, both published by Dar Sharqiyyat; of 'Atif Sulayman, especially in his collection of short stories, *Sahra' 'ala Hida* [A Desert on its Own], published by Al-Majlis al-A'la li-l-Thaqafah, Cairo 1995, and his novel, *Isti'rad al-Babiliyyah* [The Spectacle of the Babylonian], Cairo 1998, published by Dar Sharqiyyat; and Ahmad Gharib's *Sadmat al-Daw' 'ind al-Khuruuj min al-Nafuq* [The Shock of Light upon Emerging from the Tunnel], Cairo 1996, published by Nawwarah.

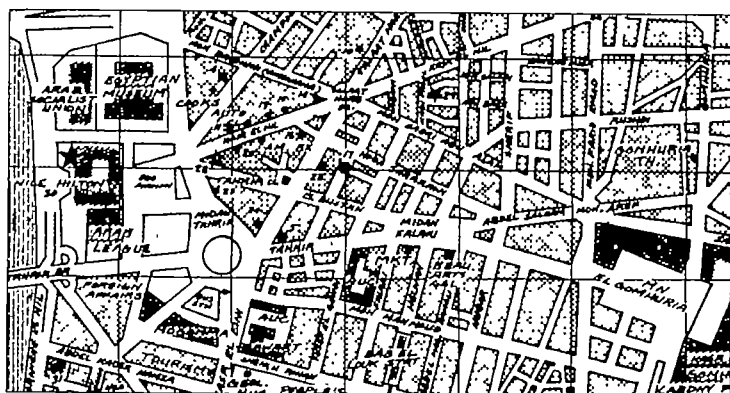
wreckage of official literary discourse. Both the narrators and the protagonists of this new genre find themselves in a state of disorientation, trapped within a duplicitous, illogical order. The words at their disposal are no more coherent than their worlds.

Cities and scribes

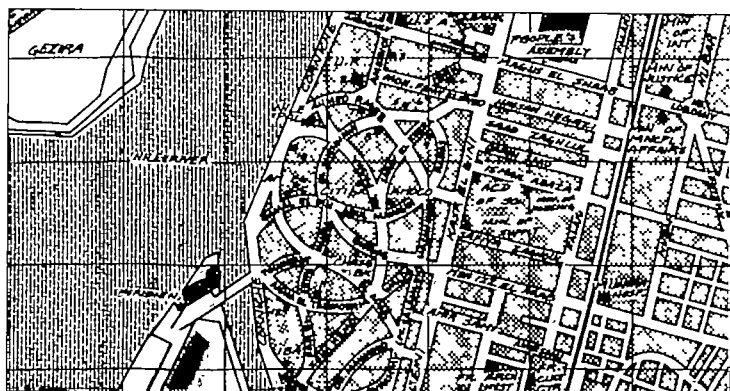
Intermediations between literary forms and social realities are necessarily subtle, indirect and complex. To suggest a series of homologies between the narrative strategies of the Egyptian novel and Cairo's changing urban fabric is not, of course, to posit any one-to-one correspondence between them. Yet it is possible to trace an evolving relationship between the modernizing project inaugurated from the 1870s by the Khedive Isma'il, who had been a student in Paris during Haussmann's re-engineering of the French capital, and the development of the modern Egyptian novel. Isma'il planned and built a new city of wide boulevards and great open thoroughfares, the Opera House and Azbakiyya Park, situated to the north and west of the ancient *medina* or oriental city, which for thirteen centuries had developed by the slow process of in-building; the old Khaliq al-Misry Street forming the boundary between the two. The two cities represented distinct world views and modes of operation, the densely populated *medina* retaining its traditional order and conservative-religious outlook, while the 'second city' proclaimed its rulers' faith in ideas of progress, modernity and reason. This was also the vision of Rifa'ah al-Tahtawi and his students, who were deeply influenced by the French Enlightenment. It continued to inform the work of the great modern Egyptian writers, from Muhammad al-Muwailihi, Muhammad Husain Haykal, Taha Husain and Tawfiq al-Hakim to Yahya Haqqi and Naguib Mahfouz. The notion that man can make himself—that 'we are what we choose to be', in Miranda's words—both individually and collectively, lay at the heart of the modern Arabic novel from the start. The central theme of Haykal's *Zaynab* is the tragedy of Zaynab's failure to be 'what she wanted to be'. This is also the dilemma of Hamidah in Mahfouz's *Middaq Alley*, published in 1947, who also fails to be the modern woman that 'she willed'.

Many of the pioneers of realist narrative fiction in Egypt—Muwailihi, Hakim, Haqqi, Mahfouz—were born and brought up in the old city, but developed their literary talent in the context of the second; they are a product of the passage between the two worlds, with their contrasting

Cairo street plans



Second City, 1870–1900



Garden City, 1900–30



Third City, 1970 to the present

rhythms and visions. The move from *medina* to the new city was not without its price: in *Middaq Alley*, Hamidah becomes a prostitute for the British soldiers when she leaves the protective haven of the alley. Despite their striving, most of the protagonists of Mahfouz's great works of the 1940s and 50s end up where they started, or even worse off than before; the frustration of their hopes forms the substance of the novels. Yet they struggle, nevertheless, to transform their destinies.¹⁶ The power of Mahfouz's *Cairo Trilogy* [1956–57] lies in part in the battle by its hero Kamal to be what he wants to be, rather than what his father wants for him. The assumptions of modernity inherent in this work enable us to interpret its themes of declining patriarchal authority, the rebellion of the son and the free choices of the grandsons, with their individual yet opposing ideologies. These assumptions would underlie the trajectory of the Arabic novel after Mahfouz, from the work of Yusuf Idris, 'Abd al-Rahman al-Sharqawi, Fathi Ghanim and Latifa al-Zayyat, through to the '1960s generation'.¹⁷ I would suggest that there is a homology between the urban structure of the second city, with its wide thoroughfares—in contrast to the narrow alleyways of the *medina*—and the linear structure of the realist novel, the unfolding of its plot conditional upon wider social relations.

In the early decades of the 20th-century Cairo's rulers created a further planned zone, Garden City, to the west of Qasr al-Dubarah. It was designed to act as a buffer between the British colonialists and the angry middle classes of the 'second city', constantly agitating for their departure. The pattern here was not linear but circular and labyrinthine, although clearly based on modern urbanist principles. Interestingly, this deliberately alienating space did not find its literary expression until the post-independence period, when the contradictions of the national-developmental project began to demand more complex and metaphorical forms. This in turn led to the emergence of modernist narrative, with its reflexivity, circular structure and problematization of the narrator's status. Yet the Egyptian novel of the 1960s, though highly critical of the social reality from which it emerged, was still essentially

¹⁶ R. C. Ostle, 'The City in Modern Arabic Literature', *Bulletin of the School of Oriental and African Studies*, vol. XLIX, Part 1, 1986, p. 199.

¹⁷ Among many outstanding writers who started publishing their work in the 1960s were 'Abd al-Hakim Qasim, Amal Dunqul, Yahya al-Tahir 'Abdullah, Sun'allah Ibrahim, Baha' Tahir, Muhammad al-Bisati, Muhammad 'Afifi Matar, Ibrahim Aslan, Radwa 'Ashur, Khayri Shalabi and Jamal al-Ghitani.

a narrative of rational enlightenment, in which the idea of progress retained its meaning.¹⁸ Again, there was a parallel with urban forms: by the mid-60s, modern Cairo had far outstripped the old *medina*, the relative decline of the traditional city also corresponding to the weakening influence of its norms under the prevailing secularist outlook of Nasser's Egypt.

Turn from the modern

This situation had undergone a radical transformation well before the advent of the 1990s generation. Everything in their experience ran counter to notions of the 'rule of reason' or the epistemological centrality of man. For the marginalized youth of the 1990s and early 2000s, everyday life has become a process of humiliation and symbolic violence. Prolonged unemployment has created a sense that they are unwanted, that their youth is going to waste; this in turn induces an absurd kind of guilt. Naïve faith in a better future is not an option; their starting point is cynicism and frustration. The hopes that previous generations had invested in a collective solution are belied by the corruption that has permeated the very marrow of the national culture. In Egypt, the general conditions of post-modernity—the shift from the verbal to the visual, the predominance of commercialized mass media—have been compounded by state censorship, on the one hand, and a glossy, well-funded Wahhabism, on the other. Sadat paid lip-service to freedom of expression while orchestrating what is known in Arabic literature as *manakh tariid*, an atmosphere unpropitious to independent cultural praxis which succeeded in pushing many dissenting intellectuals out of the country; subsequent governments have maintained the same traditions. This coincided with the rise of the oil states, Saudi Arabia in particular, to fill the cultural vacuum caused by the ostracization of Egypt after Camp David and the destruction of Beirut by the Lebanese civil war.

The same dynamics have underlain the rise of the *al-madinah al-'ashwa'iyyah*. Cairo's 'third city' developed randomly, without any overall plan, as a short-sighted reaction to the housing crisis. It reflected a terminal loss of faith in the state's ability to fulfil its citizens' basic needs.

¹⁸ See Hafez, 'The Egyptian Novel of the Sixties', *Journal of Arabic Literature*, VII, 1976, pp. 68–84, and 'The Transformation of Reality and the Arabic Novel's Aesthetic Response', *Bulletin of the School of Oriental and African Studies*, LVII, part 1, 1994, pp. 93–112.

It was born out of a situation in which the immediate supersedes—indeed, negates—the strategic and long-term. Hence the irrationality of the 'third city', full of impasses and dead-ends. The two vast belts of semi-rural dwellings represent a regression from the urban planning of the 'second city', though without any of the bucolic beauty of the rural scene; an aimless return to pre-modern forms in housing, as well as in socio-political relations. The chaotic development of the 'third city' went hand in hand with the recoil from modernity and the return to traditional, even fundamentalist, stances, as underpinnings for the national ideology; with the deterioration of Egypt's broader political culture and the emergence of an inverted scale of social and national values.

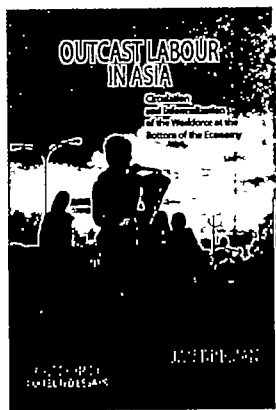
It is now possible to trace a series of homologies between the formal characteristics of the new Egyptian novel and the haphazard nature of the 'third city', as well as the broader impasse this represents. The first homology lies in the paradoxicality of these texts, which ask the reader to treat them as novels while at the same time confounding the aesthetic and generic expectations to which the form gives rise. These works demonstrate their awareness of the deep structures of Arab humiliation and the troubled social context within which they are produced; they assert the importance of their autonomy within it, yet they refuse to waste any energy in resolving its contradictions at the symbolic level. Paradoxicality is not posited as a topic for treatment, but rather as the ontological condition of the text itself. Hence the homology with the power structures of the Arab world, where state authority appears not as a real force, with a free will and independent project, capable of challenging the 'other' according to a national logic, but as a travesty of power, a scarecrow. Aware of its lack of legitimacy, it constantly attempts to gloss this over by exaggerating its authority, oscillating between an illusion of power and a sense of inferiority. Over the last three decades, new levels of domestic coercion and repression have been matched by the unprecedented subservience of the Egyptian political establishment to Washington's diktats, without even enjoying its foreign master's respect.

The writing 'I' of the new novel is acutely aware of its own helplessness, of being trapped in the present with all horizons closed. Its only escape strategy is to establish a narrative world that is ontologically similar to the actually existing world, but which permits a dialogical interaction with it and so constitutes a rupture—a rip in the closed horizon. The new text does not pose an alternative logic to that of existing reality, but

attempts to interrupt its cohesion, creating gaps and discontinuities for the reader to fill. One corollary of this is the use of narrative fragments and juxtapositions, which refuse any all-embracing totality. Another is the treatment of plot: eliminating the middle, the central concern of the conventional novel, the new narrative consists of beginnings and ends, undermining any syllogistic progression. This creates a further disturbance within the narrative world, disorienting the reader's guiding compass and intensifying the ontological dilemma.

Such a strategy also signals, of course, recognition of the narrator's diminished authority; the appeal to the reader—'CALL ME'—knows it is unlikely to receive an answer. If the writing 'I' is no longer able to secure its position as the controlling consciousness of the text, and the author no longer has confidence in his or her narrator, it is because both have become variations of the subaltern self, inhabiting a subaltern country that has lost its independence, its dignity and its regional role. This creates a crisis in which the 'I' is unable to identify with itself, let alone with an 'other' or a cause. Yet it also offers a narrative capable of relating external reality 'from the inside', as if an integral part of it, while at the same time seeing it from the outside, the viewpoint of the marginalized, appropriate to its own insignificance. The new Arabic novel is immersed in the most minute details of its surrounding social reality, yet it is unable to accept it. The 'novel of the closed horizon' is the genre of an intolerable condition.

FROM OXFORD



OUTCAST LABOUR IN ASIA

Circulation and Informalization of the
Workforce at the Bottom of the Economy

JAN BREMAN

The transition from a rural-agrarian to an urban-industrial mode of existence in late twentieth century forced large masses of people out of the countryside to the fringes of urban landscape. Drawing from his extensive fieldwork in India, China, and Indonesia, Breman demonstrates how these migrants, confined to the informal sector, eke out a living with low wages, erratic work hours, and little institutional support.

9780198066323 2010 Hardback

'This book, the latest in a series of books dealing with the world of the labouring poor, goes beyond India and shows the condition of the outcast labour in an otherwise emerging Asia'

— K.P. KANNAN

Professor, Centre for Development Studies, Tiruvandrum

'These are superb essays, written by a scholar who has studied Asian social and economic development during half a century. Jan Breman has been able to combine ongoing field research with a thorough analysis of the workings of capitalism and its consequences for people in the underclass, "down and out".'

— JAN PRONK

Professor, International Institute of Social Studies, The Hague

'Once again, Jan Breman has produced a brilliant piece of work. [This book] is powerful and thought-provoking. [It] is an immense and timely contribution in the post-Crisis world.'

— ALAKH N. SHARMA

Director, Institute for Human Development, New Delhi

RELATED BOOKS



**LABOUR BONDAGE
IN WEST INDIA**
From Past to Present



**OF POVERTY AND
PLASTIC**
Scavenging and Scrap Trading
Entrepreneurs in India's Urban
Informal Economy
Kaveri Gill



**INDIA'S
EMPLOYMENT
CHALLENGE**
The World Bank



**THE POVERTY REGIME IN
VILLAGE INDIA**
Jan Breman

OXFORD
UNIVERSITY PRESS
www.oup.co.in

INDIAN BRANCH HEAD OFFICE
YMCA Library Building, 1st Floor, Jai Singh Road, New Delhi 110001
Ph: 011-43600300 Fax: 011-23360897
admin.in@oup.com

Oxford University Press is a department of the University of Oxford. It furthers the University's objective of excellence in research, scholarship, and education by publishing worldwide.

Note: The specifications in this advertisement including without limitation price, territorial restrictions, and terms are subject to alteration without notice.

DBFO - 4443/2010

New from Cambridge University Press

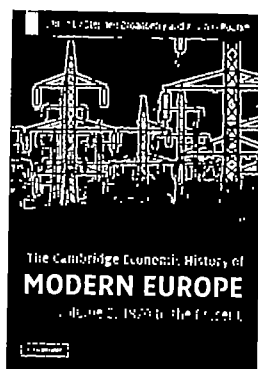
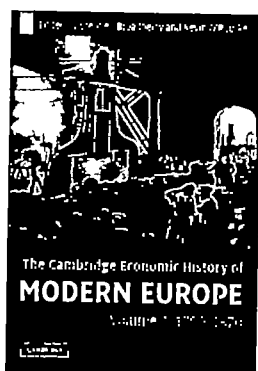
The Cambridge Economic History of Modern Europe

Edited by Stephen Broadberry, University of Warwick
and Kevin H. O'Rourke, Trinity College, Dublin

June 2010

2 Volume Paperback Set 978-0-521-12824-7 £39.99

2 Volume Hardback Set 978-0-521-19917-9 £115.00



'The Cambridge Economic History of Modern Europe shows the power of economics to illuminate history . . . This seriously good book is the first thing to read if you want to understand the economic history of Europe.'

—Robert C. Allen, University of Oxford

Setting European economic development within a unified, comparative and genuinely pan-European framework, *The Cambridge Economic History of Modern Europe* surveys the transition to modern economic growth since 1700. The two volumes together cover the key themes in modern economic history from trade, urbanisation, economic growth and business cycles to sectoral developments, and population and living standards.



CAMBRIDGE
UNIVERSITY PRESS

MARK ELVIN

CONCEPTS OF NATURE

China and Europe in Comparative Perspective

CROSS-CULTURAL COMPARISONS OVER a long time-scale are notoriously problematic. Not only does each culture change substantially over the course of the period but, even within their own boundaries, both are far from homogeneous. In what follows I will explore conceptions of the natural world in pre-modern Europe and China by looking, in a non-rigorous way, at examples of nature poetry from the fourth century AD to the start of the early-modern era. The hope is that these works can help to illuminate not only long-term commonalities and differences between the two traditions, but also some sense of the patterns of change within them. Far apart though Chinese and European literary sensibilities with regard to the natural world were at various times, they could also at moments draw close to each other. It would be a mistake to assume that the mental universes inhabited by educated Chinese and educated Europeans were totally distinct.¹

'Nature poetry'—where the natural world itself is the main focus of interest and not just a background setting, however superbly described²—was written in Western classical antiquity, as well as in China, even though those who have some familiarity with both traditions would probably give the latter pride of place.³ As an example of the former we may take the *Mosella*, a long description in Latin of the Moselle River by Ausonius, who came from Burdigala, today Bordeaux, and rose to become tutor to the future emperor Gratian. It was finished some time not long after AD 371, and shares several features with the rhapsodies (*fu*) written by Chinese poets on aspects of the natural world, including cityscapes, around broadly the same time.⁴ A few brief extracts follow.⁵ In the first

of these, the poet is coming out of a forest road, and catches his initial glimpse of the river:

Clearer the air hereabouts, and unclouded the rays of the sunshine
showing the bright-hued heavens divine, illumined and tranquil.
Now, no more are the skies, under cross-linked branches entangled,
mutually chained, and unseen, by the green gloom rendered invisible.

The atmosphere, freed from restraints, not begrudging us visions of sunbeams,
pours forth roseate gold from the firmament, when we behold them.
Prospects where everything calls to my mind fond dreams of my homeland—
Bordeaux's culture—its brilliant refinement—lie spread out before me.

¹ This essay is drawn from a much longer introductory Overview in *Concepts of Nature: A Chinese-European Cross-Cultural Perspective*, edited by Hans Ulrich Vogel and Günter Dux, published this month by Brill. The volume collects contributions to a conference that met at Rheine, Westphalia, in March 2000 to respond to a question posed by Gunter Dux in his *Historische-genetische Theorie der Kultur* (Weilerswist 2000): beneath the almost endless variations between historical cultures, is it possible to detect common, underlying trends in the development of human cognitive capacities? Dux has argued that, at both ends of the Ancient World, Greece and China, economic, social and political changes during the middle part of the first millennium BC both depended upon, and in turn further encouraged, a major increase in the 'cognitive competence' needed for more complex types of human organization and enterprise. Constant political reshapings in both regions led to a loss of faith in the older, purportedly nature-given, character of polities, and prompted a rethinking of political principles with a new depth and generality. These processes led to an accelerated cognitive sharpening, and to a willingness to question accepted ideas which, once this new style of thought turned to nature and the processes of thought themselves, caused a philosophic revolution. The conference was convened to address this issue by exploring an initial test-case: a comparison of the conceptions of 'nature', taken primarily in a philosophical and scientific sense, that are found in ancient Greece and in imperial China.

² As in the description of Hermes's descent to the isle of Calypso in *The Odyssey*.

³ See the wealth of poems cited as examples in Obi Kōichi, *Chūgoku bungaku ni arawareta shizen to shizenkan*, [Nature and the Concept of Nature in Chinese Literature], Tokyo 1963.

⁴ For a selection of partial translations see Mark Elvin, *The Retreat of the Elephants: An Environmental History of China*, New Haven, CT 2004, pp. 60–4 (Zuo Si on Chengdu), p. 330 (Mu Hua on waves), and pp. 335–68 (Xie Lingyun on his estate on the south side of Hangzhou Bay).

⁵ My translations use a stress-based English approximation of the original intricate quantity-based, hexametre. This at times tangles up the syntax, but does convey something of the sonic texture and compressed expressivity of the Latin, for which Clive Brooks's *Reading Latin Poetry Aloud: A Practical Guide to Two Thousand Years of Verse*, Cambridge 2007, gives prosodic details. I have used the text in Hugh White, *Ausonius*, vol. 1, Cambridge, MA 1919. Note that in every line there is a mid-line pause or caesura.

Villas' rooves surge from the crests overhanging the plunging escarpments,
vines climb the viridian hills, their delight-giving rivulets merging
with the inaudibly talking, and gliding, Mosella below them.

In the next passage the poet addresses the river directly, though at one point he shifts for a moment, slightly disconcertingly, to apostrophizing an imagined reader. The theme is the flowing of the waters seen from far away, then closer up, and finally under the surface:

Twofold the routes you allot us: first—downstream—borne by the current,
such that the swift-beating oars will set roiling its eddying waters;
else up, along the embankment, as, slack'ning no moment, the tow-rope
pulls taut the mast-linked harness attached to the barge-dragging boatmen.
Many a time you must muse, when observing your river's meanders,
your slow course, as ordained by your fate, may be close to too leisured.
You would not border your shorelines with sedges that slime has engendered,
nor yet contaminate strands with impurities, making them cropless.
Down to the brink, where the spring-clear water begins, we step dryshod.
Go now! Tessellate smooth floors, fitting the Phrygian inlays;
under your halls' fretted patterns extend—wide plain-like expanses of marble.
Nothing care I for these luxuries given by lands and by riches,
awestruck at Nature's creations.—Not mine the trusteeship for grandsons.
Happy the penury richly abundant in things to abandon.

Sand grains heavy with damp, shores stretch off flat to the distance.
Though feet soles press down hard—smooth, these retain no imprint.
Into the glass-clear depths you may peer through the still, level, surfaces,
having no secrets concealed in their waters. Serene air,
everywhere present, allows us to watch with relaxed contemplation;
wind so subdued eyes can pierce through the nothingness, deep under water;
vision, once sharpened, sees things there in close-up, and subtlest essentials,
op'ning your inmost shrines, and exposing your closest-kept secrets.
Liquidly, gently, the shallows run flowing. The dropping of waters
sends swift patterns dispersing across the caerulean brilliance.
Ripples, in flows imperceptibly passing, shape sand into furrows.
Leaning oblique to one side, in the green depths, waterweeds quiver.
Plants being shaken about in the water from natural outflows
tremble, enduring it; pebbles will glitter, then once more have vanished.
Gravels expose, by their different hues, the viridian mosses.⁶

This romanticism is balanced by a realism that is practical but also empathetic. After a detailed catalogue of the local species of fish, which shows his knowledge of their characteristics, including how to cook them, and what they taste like—a list that makes an interesting parallel

⁶ White, *Ausonius*, vol. 1, pp. 225–7, and 227–9. My translations.

with, and contrast to, the list of fishes in Xie Lingyun's contemporary rhapsody *Living in the Hills*—Ausonius paints a picture of the local angling fraternity:

Where, as it happens, the bank gives a trouble-free path to the water
 predatory fishermen fossick in every deep hollow for fishes,
 poorly protected, alas! by their riverine sanctuary bolt-holes.
 Tugging on moist hemp ropes—out there in the midst of the river—
 one man pulls in the fish shoals fooled by his nets' woven meshes.
 Sliding, the body of water progresses in calm, where another
 holds up his seine nets, floating, on corks also serving as markers.
 Yonder another, inclined on some rocks, waves flowing below him,
 bending the tip of his pliable rod, so it curves over downwards,
 casts killing hooks that are hidden beneath the deceptions of dainties.
 Multitudes, aimlessly swimming, deceived will attack with mouths open,
 gullets extended, but feel—too late—through their innermost vitals
 injuries cut by the barbed iron, deeply occulted inside them, then
 panic.—The signals go upwards, a shuddering trembling, inducing
 jerking response from the cane rod, setting its quiver-tip⁷ shaking.
 Swift, the lad skilfully seizes his prey, knocked free with a sideswipe,
 whiplash hiss in the handstroke; life's breath—gasping out—follows,
 sounds like vibrations of air in the void, once a whip's oscillations
 pressure the draughts to come rushing in, whistling, to fill the displacements.
 Caught, and still wet, tails thrash up and down on the moistureless rock slabs,
 daytime's javelins, lethally brilliant, pierce them with anguish.
 Deep in the river that's theirs, fish keep their strength. In the air, they grow
 feeble, ling'ringly wasting their life force, breathing our atmosphere,
 breathless.

... Fish at the onset of death, I have seen for myself, when despairing
 gather their will-pow'r together, then—vertically—leap for the heavens,
 turn, in a flash fall headlong, down to the river below them,
 once more lords of those waters they'd thought to all hope lost forever.⁸

A steady-eyed, practical Roman relish of the realities of war, death and heroism, in the context of landscape. Ausonius was of course nominally a Christian, but one may doubt if his heart was really in the new religion. Traces of cautious, nostalgic affection for the pre-Christian inhabitants of the hills, fields and streams haunt some of his lines, and echoes of the old unabashed classical sensuality:

Here, panoramas and landscapes divert more than solely the humans.
 Here, I suspect that the countryside satyrs and shining-eyed Naiads

⁷ *Saeta* means 'bristle'. Here it is an extension of a fishing rod designed to help the detection of a bite.

⁸ White, *Ausonius*, 'Mosella', lines 240–62 and 270–3.

run to assemble and sport on the outermost riverbank margins.
 Gleeful and impudent lust stirs Pans with their capering goats' hooves,
 prancing through shallows to startle their sisters submerged and affrighted,
 setting the waters impulsively rocking with rough blows carelessly smitten.

... Doings not glimpsed by our eyes, and unknown to our cognizance, should
 be proper to speak of in part, but provided—their secrets remain still
 hidden, and dread-filled mysteries guarded secure, by the streams they
 inhabit.⁹

Ausonius was also fascinated by the visual 'falsehoods' sometimes conjured up by everyday phenomena, such as reflections. He goes on:

Next, an illusion to relish without being furtive: the dark hills
 mirrored in luminous waters, and—seemingly—floods in the river
 sprouting forth leaves, while new vine-shoots cover the streambed.
 Lovely the surface appearance of reaches of water once Vesper's
 summoned the ev'ning-time shadows, and filled the Moselle with green
 mountains.

Whole hills float through the ripples, their vineyards, tendrils a-tremble,
 unreal. Grapes swell, ready for harvest, in swell that's transparent.
 Joking, the waterman counts the viridian grape-vines below him,
 sailor afloat on an endless plain, in his timber-built vessel
 out in its midst, where illusory hills intermix with the river,
 stream that's confused where it ends, undefined at its margins of shadow.

He next watches the youngsters competing with each other in imitation naval battles, and comments:

Once sun's drenched them with heat from the son of Hyperion, Apollo,
 boys' simulacra flash back from the glass-clear depths of the eddies,
 sunlight returning disrupted reflections of bodies inverted.
 Endlessly, agile manœuvres ensue, with the right hand, then left hand,
 shifting their weights, changing first from the one oar, then to the other,
 —liquid resemblances, counterpart sailors, being tossed up by wave-swash.
 These young boatmen themselves find delight in their own simulacra,
 being amazed that such semblants deceitfully rise from the river.

After comparing their state of mind to that of a young girl who has just seen herself for the first time in a bronze mirror and thinks she is seeing someone else, Ausonius ends by remarking that the boys 'take pleasure in the ambiguous shapes of what is both false and also true'.¹⁰

⁹ White, *Ausonius*, 'Mosella', lines 169–74 and 186–8.

¹⁰ White, *Ausonius*, 'Mosella', lines 189–98, 222–9, and 239.

Time in the mountains

The best Chinese comparison might be with *Living in the Hills* by Xie Lingyun (AD 385–433), but since I have already published a translation of most of this great environmental rhapsody, which interweaves human life with nature, both wild and domesticated, as well as with history and the numinous vision of Buddhism,¹¹ I offer here a selection from various shorter poems by Xie Tiao (AD 464–99). This change of genre makes an appreciable difference by restricting the expansive elaborations in which, mostly for better but sometimes for worse, both Xie Lingyun and Ausonius at times indulged. The first extract is from Xie Tiao's 'Roaming in the Mountains'; the translation uses vowel-rhymes to echo the Chinese full rhymes.¹²

Presiding, by undeserved good luck—where mountains and streams meet
together,
I encounter the unstained winter's disdainful remoteness again.
The escarpments I cross have exposures—some thousands of fathoms in
depth,
the circuitous detours round rivers I follow—wind on, forever.

Now cut into layered strata—are the cliffs, once solidly obdurate;
spate passed, waters flow in meanders—once again obedient and moderate,
but lost in the distance, the gulfs in the cloudbanks—seem to be bottomless,
yet shallow the rapids, whose streams—run bubbling over their rocks.

I glance off, at an angle, to see—where the stout-stemmed and poison
bamboo-stands are dense;
then look behind me in survey where, deep—the southwoods and laurels
extend.

The unkempt cwms are covered over—with indigo grasses and sedges,
and the landslipped screes of the rock-walls are girdled with lichens and
mosses in belts.

The flying squirrels and black gibbons call—from the serried ranges of peaks;
and the ducks and the gulls disport themselves—on sandbanks, mid-course
in the streams.¹³

¹¹ Elvin, *Retreat of the Elephants*, pp. 338–67.

¹² The original in this case rhymes every even-numbered line on the same rhyme throughout, which is too difficult to match exactly. Unfortunately, the crystalline syllabic exactitude of the Chinese prosodic structure is impossible to reproduce in English. The caesura, where it exists but is not obvious, is shown by an em-dash.

¹³ 'Roaming in the Mountains' in Obi, *Chūgoku bungaku*, pp. 306–7. A cwm (pronounced 'coom') is a small mountain valley with one end closed. Indigo grass is *Strobilanthes flaccidifolius*. Its leaves and stalks yield indigo dye. Found mostly in hilly country in central and southwest China, as well as in Burma and Assam.

This is an evocation, in the style of a Chinese painting, of the subdued melancholy of winter in the mountainous forest landscape of western China, most probably Sichuan. Giant flying squirrels¹⁴ are said to moan when they call, and the gibbons to have a heart-rending and almost human cry. There is a pervasive sense of different times passing: the slow time of the weathering rocks and the more frequent falls of scree, the seasonal time of the rivers no longer full of run-off water, and the variable personal time created by a return visit. Human presence is alluded to with the lightest of touches in another poem:

The last snow left reflects—the dull blue of the hills,
the noonday sun reappears—out of the chilling mists,
from under the veiling gloom—a riverside village grows visible,
little by little, along the lake—the trees become distinct.¹⁵

Human feelings are attuned, however, to something both in and, in a sense, out of this world:

Heart filled with springtime, and mind unconcerned, relaxing at leisure,
cord-tagged bird-shooting arrows in hand, I stroll through the forest's depths.
The light of the dawn illumines—the cups of the flowers with red;
sweet tunes are piped by a breeze—so soft as to be imperceptible.
I find pure, and enlightening, delight—along by the river's edge;
at the bounds of the mountains, my search—for deep secrets—can end.¹⁶

The language here is full of hints at Daoist and Buddhist themes: the flowers that formed part of the diet of the hermit in search of longevity or immortality; the music played by the earth, as well as the cosmic 'tuning' of phenomena via the pitches of their immanent *qi*, understood as pneuma or breaths of life; the hunt for the hidden workings of the universe. I have translated *shang*, literally 'delight' or 'delighting', as 'enlightening delight' here because that is how Xie Lingyun, the most important of Xie Tiao's immediate predecessors, understood the function of the 'delighting heart' (*shang xin*) when it contemplated the landscape.¹⁷ More than mere pleasure, it was a source of, and the means of the exercise of insight.

¹⁴ The squirrels are more properly called gliding squirrels, and are probably *Petaurista petaurista*, the giant red species.

¹⁵ Obi, *Chūgoku bungaku*, p. 310: 'Attending to official business in the Studio on the Heights'. He is looking down on the scene from his office.

¹⁶ 'Responding to He Yicao's "Roaming outside the city"', in Obi, *Chūgoku bungaku*, p. 310.

¹⁷ See Elvin, *Retreat of the Elephants*, pp. 332–3.

Explicit reference to numinous powers in the landscape are rare in Xie Tiao, but they do occur. In a poem on 'Jingting Mountain', Xie wrote:

In every direction, for hundreds of miles, spread out the extended hills,
together amassed, and the equals in height—of the mists.
It is here that hermits, already—have entrusted themselves to oblivion,
and where, also, there dwell undisturbed—many potent uncanny existences.¹⁸

The Japanese authority on the Chinese poetry of this age, Obi Kōichi, glosses the last term simply as 'spirits' (*kami*), which is revealing even if the translation given here is closer in a literal sense to the original Chinese.

Detailed and sharply observed nature poetry was thus being written in both great cultural domains at this period, and in a predominantly 'objective' mode, albeit with some rhetorical exaggerations and some slight, but not insignificant, sense of the local and limited supernatural. Is it possible to perceive any deep and pervading differences? Arguably, there is, but they are subtle. In this formative period, Chinese poems, to the extent that they were 'nature poetry' in the strict sense defined earlier, gained their most powerful effect by tacitly transforming the reader, if only momentarily, into an 'immortal' (*xian*, *xianren*). In the particular Chinese sense of this term, an 'immortal' was a former human being physically metamorphosed into a deathless entity by means of some combination of enhanced spiritual qualities, asceticism, macrobiotic diet and alchemy, often together with supernatural assistance in this quest. He roamed within the natural world, and was part of it; but often, so to speak, in dimensions of it that were inaccessible to mortals. Hence, characteristically, the sense of detachment and the extremely subdued presence of any 'ego' in most pure-vintage Chinese nature poetry. Another indicative sign is the importance attached to the altitude of an observer's standpoint, and to looking down on the world below as if from far above it. This conferred a sensation of supernatural detachment on the reader, since immortals could move through empty space as easily as on the ground, while their unending lives also allowed them to experience and understand almost unthinkable expanses of time.

In general, what might be called the 'immortal's-eye view' adopted in much of Chinese nature poetry, such as that of Xie Tiao, is implicit,

¹⁸ Obi, *Chūgoku bungaku*, p. 307.

not explicit.¹⁹ It is therefore difficult to prove that the interpretation just suggested really is correct, though it seems to make sense of much that would otherwise be opaque. It is also the case that, later, during the middle and later empire—that is, the Sui (581–618) and Tang (618–907) through the Ming (1368–1644) and Qing (1644–1911) dynasties—most poems in which ‘nature’ plays an important part are, ultimately, more complex creations focused on the interactions between ordinary human beings and the natural world.²⁰ The original intensity has weakened, and the driving impulse to concentrate on nature in and of itself now functions, more often than not, as just one component among many.

Transformations in the West

These were gradual changes. What is more striking is the relative continuity in China, in comparison to the massive rift with the past that soon opened in Western Europe. Western classical realism had believed in the harmony between the human world and the world of nature. First the Christian religious vision, and then, in the early second millennium AD, other elements, including the linking of imagined, idealized, enclosed-garden landscapes with a varying mixture of celestial and terrestrial paradises, often suffused with eroticism (rather than the honest animal sensuality of the Pans), altered out of recognition the perspective on nature summoned up by Ausonius’s *Mosella*. These changes have been memorably described by Derek Pearsall and Elisabeth Salter,²¹ and it will only be necessary to summarize some of these scholars’ main findings, while making them concrete with a few illustrations, and adding a few extra observations.

One major problem confronting any explanations for this cultural rift—as well as attempts to track its possible consequences for the changes

¹⁹ Apart from some early, and very partial, antecedents like ‘Encountering Sorrow’ by Qu Yuan (late fourth century BC) in *The Songs of the South*. See David Hawkes, *Ch’u Tz’u: The Songs of the South, An Ancient Chinese Anthology*, Oxford 1959, pp. 22–34.

²⁰ See the translated poems from the Yuan (1279–1368), Ming and Qing periods in Elvin, *Retreat of the Elephants*, pp. 200–02. Examples of the earlier, less complex, type (by Cao Zhi, 192–232), and one by an eighth-century successor (Du Fu, 712–70) may be found on pp. xxi–ii.

²¹ See Pearsall and Salter, *Landscapes and Seasons in the Medieval World*, London 1973.

in the Western European understanding of the natural world—is how to relate it to the economic collapse that affected the western half of the Roman Empire in and after the fifth century AD. This had a very marked geographical gradient, running west-to-east from the severe crisis in Britain to the barely noticeable one on the edge of the Aegean world, east of which there was even continuing economic growth for a time until the seventh-century assault by Islam. The factual reality of this downturn in livelihood has been established by archaeological discoveries making it possible to reconstruct such phenomena as the deterioration in the quality of buildings, the decrease in the size of cattle as measured by their skeletons, and the drastic alteration in the scale of production, and the middle- and long-distance exchange of goods for everyday use, such as ceramic containers and roofing tiles. Oblique but useful light has also been shed on other phenomena through these digs. An example is the decline in popular literacy revealed by the virtual disappearance of the once common graffiti inscribed on walls and potsherds.

The immediate cause of acute economic dislocation was probably the destruction of the western sections of the major trading routes that had crisscrossed the Roman Empire prior to about 400 AD and had enabled a few large, specialized production centres—for example, of ceramics—to produce a number of basic goods in huge quantities. The cause of this in turn, it seems reasonable to assume, was the near-collapse of the security essential for commerce, and of the functioning of political structures generally, in the context of the administrative fragmentation mainly caused by the incursions and settlement of tribes from outside the Empire. Technological and economic recovery can be shown in some cases to have taken up to 800 years.²² In China, the period from the fourth to the sixth centuries AD may have seen an analogous political fragmentation and economic collapse in the north, though growth continued in the south; but the disruption did not last for anything like so long.²³

Hateful handiwork

So, what happened? In brief, during the first two-thirds of the Middle Ages, in the eyes of Western Europeans, the world of nature no longer had its old, assumed basically benign, relationship to human beings;

²² Bryan Ward-Perkins, *The Fall of Rome and the End of Civilization*, Oxford 2005, part 2, 'The End of a Civilization'.

²³ Elvin, *The Pattern of the Chinese Past*, Stanford 1973, chapters 2 and 3.

and its once independent intrinsic reality to some extent faded into an allegorical symbolism. To summarize the first of these aspects, wild and untransformed nature was felt, in varying degrees, to be an environment to which humans had been banished by God as a punishment for the sins of Adam. As Aelfric of Eynsham wrote around the end of the tenth century, 'this world is not our homeland, but our place of exile'.²⁴ Later a more complex approach was found. An example is in Chaucer's 'The Franklin's Tale' from the later fourteenth century.²⁵ The lady Dorigen, sick with anxiety while waiting for her husband's return from overseas, reproaches and interrogates God as she contemplates the ship-destroying rocks below the cliffs of the Breton coast. Her words express a tension between an orthodox but unconvincing optimism and an existential dread:

But, God eternal, who through caring foresight
directs the world along an unerring course,
and nothing without a purpose brings to be—or so it's said,
these gruesome rocks, black and of devilish essence,
rather appear to be confused, and hateful—
handiwork not at all a fair creation
for such a perfect Lord, wise and consistent.
Why hast Thou wrought Thy work illogically like this?
For, by this work, to south, north, west, and east,
no man is nourished, neither is bird nor beast.
It does no good, but harm, as I would find it.
Can you not see, Lord, how it destroys mankind?

Corpses a hundred thousand have these rocks dismembered
of human folk, though each one's not remembered.
—Humans, so fair a part of Thy creation
that it was in Thine image that Thou shaped them.
It seemed at that time Thou felt great affection
for Thy mankind, so how does it make sense
that Thou such means hast made for their destruction?
—Means that do nothing good, but endlessly discomfort.
I'm well aware that learned men will happily attest,
their proofs prepared, that all is for the best,
but why this is—I cannot comprehend.

The cautious Chaucer then manipulates the plot in an improbable fashion so that, by a *tour de force*, both personal honour and orthodox

²⁴ Pearsall and Salter, *Landscapes and Seasons*, p. 42.

²⁵ Both in this and other examples quoted here, I have put Chaucer's language into slightly more modern English so as to make it easily intelligible. The original text is in Fred Robinson ed., *The Poetical Works of Chaucer*, London 1933, p. 165.

theodicy are saved; but this does not hide the fact that we are hearing here an ideological register utterly absent in Ausonius and, *a fortiori*, in Xie Tiao.

The psychological counterbalance to this sense of a dark outer world is the mediaeval European vision of the isolated perfection of an enclosed inner world, a paradise-garden, spiritual or sensual. In the case of the latter, though, it has to be said that there is usually a persistent premonition that the forces of evil, decay and death will always in the end insinuate themselves. A suggestive example of this dual vision occurs in Chaucer's 'The Parlement of Foules'.²⁶ The prelude indicates that the poem is the author's dream, and he is warned by a famous figure from classical antiquity that:

... since, here below, this earth was such a trifle,
so full of torments, ill luck's rough abrasions,
in this world here he should not take delight.

It was also a world destined to perish totally at the end of its cycle:

He told him next that, after a fixed duration,
each star would then return to take the place
where it was first, the past pass out of mind
as would all once done here, by all mankind.

With this sombre background to his visit, the poet then enters, in his dream, a park walled with green stone:

A garden saw I, filled with blossoming boughs
beside a river in a grass-green meadow
where evermore blew sweetest scents uncounted
from flowers of blue and white, and reds and yellows;
chill waters welling up were never motionless,
brimming with tiny fishes, sparkling there, and swimming,
vermillion-finned, their scales of flashing silver.

On every branch I heard birds at their carols,
angelic voices joined in consonance;
others were busy, helping their young to hatch,
while little rabbits to their games were gone.
Soon, at some further distance, all around, I spotted

²⁶ The piece, whose main theme is birds choosing their mates, was probably written for St. Valentine's Day. The 'ay' in the last line is older English for 'always'.

the timid roedeer bucks, and harts and hinds,
squirrels and smaller beasts of harmless kind.

I heard stringed instruments, in such accord,
playing sweet sounds that held my soul possessed,
that God, of all things maker, and their lord
never heard any better—such is my conjecture.
The while a gentle wind, that could have been no gentler,
breathed through the verdant leaves with sounds of stirring
that answered back the songs sung high above by birds.

Throughout that place the air's warmth was so mild
that they were never vexed by hot or cold.
Likewise there sprouted there each healing herb and spice;
no man fell sick there, ever, or grew old.
Joy was abundant more than a thousandfold
more than one could relate it. Nor was it ever night,
but ay bright day—in every person's eyes.²⁷

This is an unreal nature in the sense that everything in this panorama is symbolic, expressing something else. At the deepest level, everything in nature is valued insofar that it is what it is because of its creation by some other power, which is immanent but only indirectly divivable within it. Thus Dante said in the 'Paradiso' that:

The foliage with which throughout is decked
the garden of th' Eternal Gardiner, I love to that extent
that He has it with His own goodness bless'd.²⁸

One suspects that the restless psychological need to search in the natural world for the general impress of the hand of the Eternal Gardiner was one of the hidden tributaries that flowed into the river of early-modern science in Europe. Although the will to mastery of specific techniques was at times very strong in the mediaeval West, the contrast to the almost mystical Chinese exaltation at the processes of nature itself, coupled with the impossibly exalted wish to attain such fusion with, and such understanding of, their total overall unity as to be able *oneself* to command them, is perhaps worth contemplation.²⁹

²⁷ Chaucer, *Poetical Works*, pp. 363 and 365.

²⁸ 'Paradiso', 26.64–66, in Dante Alighieri, *La Divina Commedia* (1472), Hermann Oelsner ed., revised edition, London 1933, pp. 318–9.

²⁹ Joseph Needham, Ho Ping-Yü and Lu Gwei-Jen, *Science and Civilisation in China*, volume 5, *Chemistry and Chemical Technology*, 'Part IV, Spagyric Discovery and Invention: Apparatus, Theories and Gifts', Cambridge 1980, p. 372.

Dark heavens, black earth

This leaves us with the shadow side, nature experienced as a hostile, destructive, or indeed malevolent force. Some Chinese poems puzzled over the justice of Heaven-Nature (*Tian*), and even of the lesser gods like the sea-deities Tianwu and Hairuo, to a greater extent than did Chinese philosophy, though there were a few interesting exceptions.³⁰ An example of the latter is one of the most difficult of the debates to understand about the character of Heaven, but also one of the most illuminating, namely that begun in the ninth century by Han Yu (768–824), Liu Zongyuan (773–819) and Liu Yuxi (772–842), and continued in Song times by others.³¹ Putting together and reformulating disparate older ideas that went back to Wang Chong's *Lunheng* (Discourses Weighted in the Balance) and the *Huainanzi*, Han Yu suggested that human beings were similar to the grubs and maggots produced when plants decayed, and that the damage done by human beings to the primal vitality (*yuanti*) and to the cosmic forces of *yin* and *yang*, through what would now be called 'economic development', made it impossible for Heaven and Earth, and the innumerable entities, to realize their true characters. Human beings thus became in a sense 'the enemies of Heaven and Earth'. By implication, the sufferings seemingly imposed on so many humans by a harsh Heaven were by no means undeserved.

Liu Zongyuan in contrast argued for the amoral character of Heaven:

That mysterious darkness above us is commonly referred to as 'Heaven'. The brown beneath it is commonly referred to as 'Earth'. That inchoate substance that occupies the space between them is commonly called the 'primal vitality'. Cold and hot [in the sense of the seasons] are commonly called *yin* and *yang*. Although these are immense entities, they are no different [in their character] from fruits, boils, and grasses and trees . . . How can they reward meritorious achievements and punish the creation of disasters? Meritorious achievement is what it is in and of itself [that is, its own reward],

³⁰ The 18th-century Yongzheng Emperor tried but failed to construct a philosophically based system of moral meteorology. See Elvin, *Retreat of the Elephants*, pp. 413–36.

³¹ See Hamilton Graham Lamont, 'An Early Ninth Century Debate on Heaven: Liu Tsung-yan's *T'ien Shuo* and Liu Yu-hsi's *T'ien Lun*' (Part 1 in *Asia Major*, vol. 18, no. 2, 1973, and part 2 in vol. 19, no. 1, 1974), and Jörg Schumacher, 'Wer diese Menschheit zerstört . . . Zu Han Yu's Frage im *Tian Shuo* des Liu Zongyuan' (*Asiatische Studien*, vol. 39, no. 1–2, 1985) for two rather different points of view. I would like to thank Hans Ulrich Vogel for drawing these articles to my attention.

and the creation of disaster what it is in and of itself [a disaster]. To look up expectantly [to Heaven] to be rewarded or punished on account of them is a great absurdity. To cry out and be angry, looking up expectantly [to It] for succour or empathy is a still greater absurdity . . . How can one assign existing or perishing, succeeding or failing, to [entities of the same kind as] fruits, boils, and grasses and trees?²³

In a loose sense, this is a 'modern' point of view. The ensemble of Heaven, Earth and the sum-total of the other entities, with no part seen as having any ontologically privileged status, is close to 'nature' as present-day science would understand it.

Some poems about the suffering inflicted by nature were written as pleas to society for help, or for other motives. But in general, the question that tormented people—and poets—was whether or not a natural disaster was a morally deserved punishment. The problem was almost never explicitly answered, but the scepticism is time and again evident enough. Here is an interesting negative reply from part of a poem by Zhang Yongquan on the huge storm that smashed through the seawalls south of the mouth of the Yangzi River in 1696, drowning large numbers of the seacoast's inhabitants:

Some of the people used ropes, to tie themselves together,
hoping this way to support each other, or give each other help.
How were they to know that, together, they'd be swept away and drowned?
Some of them sought to escape, boring holes in the rooves of their houses,
but their bodies, along with their reed-thatched shacks, were borne off and
tossed about.

Some clutched at beams and rafters, and let themselves go where these went,
but the wind pounded and battered them, and scattered them east and west.
Some clambered to the tops of trees, where they floated for a time,
but snakes climbed to the treetops, driven, too, by fear of dying.
Men, scared the snakes would bite their hands, of themselves released their
hold.

Men and snakes have gone, together, into the other world . . .

The downpour ceased at dawn, but the storm did not let up.
Those people who had not been drowned congratulated each other.
Then they saw a sandbank far away, among the rolling waves,
where a thousand others called for help that their lives, too, be saved.

²³ My translation based in part on Lamont, 'An Early Ninth Century Debate on Heaven', and in part on Schumacher, 'Wer diese Menschheit zerstört . . .' using the Chinese text from www.confucius2000.com.

The tide came in, then, with a swirl, and half of them went down.
With the second swirl the bank submerged, and everyone was drowned . . .

Their faces, two days later on, were still easy to recognize.
Like mounds, or hillocks, the washed-up corpses had stacked themselves in piles.

By the third day, or the fourth, skin and flesh were soggy-rotten.
One could smell the stench some thirty miles. It made one want to vomit . . .

Half a month later, beside the seawall, folk dragged along, barely mobile;
dark was the Heaven, and black the Earth, hearts with apprehension hopeless.
At the hour of midnight their ears were filled—with howls from resentful
ghosts,
and at noontide they still continued to hear—the wails from these wandering
souls.

'Disastrous Events and Auspicious Omens' in the county records consulted
reveal in *three* reigns, under the later Ming, that storm surges mounted up,
drowning the livestock and human beings in numbers described as past
number.

A hundred years have not yet gone by, but we're once *more* being punished.³³
Alas, why are those who live by the sea—alone guilty of some transgression?
Evil and virtuous, aged and youthful, met their deaths all at once, together.
Why should Tianwu and Hairuo, the sea-gods, have acted in fashion so
venomous,
giving orders so harsh that the *yin-yang* balance was—lethally—thereby unsettled?

. . . The country people have suffered destruction that, sadly, is so overwhelming
that those far remote in distant places behold us without comprehending.
As of old, *yin* and *yang* coordinate patterns of the kind that, to them,
are *inherent*.

Catastrophic conjunctions induce folk to blame, in their folly, caerulean
Heaven.³⁴

Zhang's main concern was probably to persuade people to give the remains of those who had died a decent, if summary, burial. So we may suspect that he was anxious to combat any popular tendency to suspect that the victims of the storm-surge flooding had deserved it. Against any belief that it might have been justified action on the part of the lesser deities, let alone a morally conscious Heaven, he argued—if I have correctly understood his difficult final lines—that the flood was the more-or-less mechanical result of the interactions of cycles inexorably generated by the Bright Force and the Dark Force.

³³ The term used here is *yang*. The sense of a celestial punishment is often in the background.

³⁴ Zhang Yingchang (comp.), *Qing shiduo* [*The Bell of Poesy of the Qing Dynasty*], Beijing 1960 [1869], pp. 472–3.

This can be approximately paralleled in Europe in a passage from *Le roman de la rose*, written more than four hundred years earlier. Nature, the vicegerent of God, is building up to Her searing final indictment of the disgusting behaviour of humankind:³⁵

I am going back to the Heavens above
which faultlessly—as they're obliged to—emit
to created beings, recipients,
influence of a Celestial nature
fitting for each one's distinctive status.³⁶

They compel into conflict opposing winds,
force the air to spurt flames, to bellow, and shrill,
and splinter it into countless parts
by means of thunder and lightning sparks
which resound like drumbeats, tambourines, trumpets,
so the cloudbanks open, ripped asunder
by the pressure of vapours steaming upwards.
Rents are thereafter torn in their stomachs
by the heat, and the terrible commotions
swirling around in rotating motions,
while they whip up storms, and hurl lighting flashes,
making dust-clouds gust upwards above the land.
Even towers and belfries are knocked down flat
and numberless ancient trees so battered
that they from out of the soil are wrenched,
being never firmly enough embedded,
for a root to be, ever, of any help
to prevent them from being groundwards swept,
and their boughs and their branches from being broken,
either a few of them, or most.

So people maintain that these are devils
with grappling-irons and throwing-engines,
equipped with hooks and with clawlike nails—
don't give two turnips for such tall tales!
The devils are here suspected in error,
since nothing at all has damaged anything
except for the hurricanes and winds
who launch, in this way, their attacks on things.³⁷

³⁵ Summed up in Armand Strubel, *Guillaume de Lorris et Jean de Meun: Le roman de la rose*, Paris 1992, pp. 998–9. The human misdeeds Nature cites are the conventional ones, and differ greatly from those put forward by Han Yu.

³⁶ That is, astrological effects.

³⁷ Strubel, *Le roman de la Rose*, pp. 932–5.

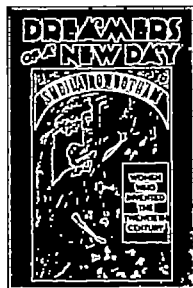
Meteorology is seen, not quite as what we would call a natural phenomenon, but as a process that nonetheless functions regularly in accordance with fixed rules.

The later story of the slow and incomplete journey in modern Europe back to a more realistic sense of Nature is too familiar to need summarizing here.³⁸ (That it was incomplete is shown by the ability of the uncompromising unsymbolic directness of the Zen Buddhist haiku of Edo Japan still to shock when they came to the awareness of the West as late as the twentieth century.³⁹) But for the period before the Western take-off, the question remains as to how far historical intellectual developments that, on the surface, seem different in most respects may, at times, have had an underlying similarity of deep structure and social function. We have seen, for example, that in the pre-Mediaeval era both cultural worlds produced striking, closely observed and deeply informed accounts of the natural world. Similarly, there were discussions about whether God (in Europe) or Heaven-Nature (in China) always acted in some sense justly, or failed to do so; whether natural disasters must necessarily be read as punishments from Heaven. The ranges of answers given were rather different, but maybe what was more significant was the largely shared conceptualization of the problems.

³⁸ See Pearsall and Salter, *Landscapes and Seasons*, chapters 5 and 6.

³⁹ Reginald Blyth, *Haiku*, 4 vols, Tokyo 1949, and *A History of Haiku*, 2 vols, Tokyo 1963.

NEW FROM VERSO



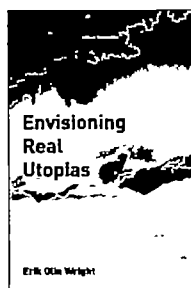
DREAMERS OF A NEW DAY

Sheila Rowbotham

HB • \$29.95/£17.99/\$37.50CAN • 978-1-84467-613-2

'Rowbotham allows us to see these figures as part of the general texture of their age, rather than as isolated colossi'—*The Guardian*

Situated in the context of economic and political changes of the age, Rowbotham's account of rebels and visionaries of the early 20th-century women's movements shows that they initiated political struggles in terms which persist into the 21st century.



ENVISIONING REAL UTOPIAS

Eric Olin Wright

PB • \$26.95/£16.99/\$33.50CAN • 978-1-84467-617-0

HB • \$95/£60/\$118.50CAN • 978-1-84467-618-7

'A masterful synthesis of the best work in political sociology and political economy over the past thirty years'—Adam Swift

Aiming to undermine the pervasive notion that existing capitalist institutions are necessary features of modern life, Wright seeks to investigate the feasibility of socialist institutions and how they could function in contemporary social arrangements.

V
V E R S O

Available now from all good bookshops

Edinburgh
University Press



Badiou and Deleuze Read Literature

by Jean-Jacques Lecercle

'Gilles Deleuze and Alain Badiou have never been discussed so lucidly as in this brilliant comparison, which brings out the salient features of two major bodies of thought . . . A *tour de force* which is destined to become a classic assessment of these two thinkers'—Jonathan Culler

Why do philosophers read literature? How do they read it? And to what extent does their philosophy derive from their reading of literature? Anyone who has read contemporary European philosophers has had to ask such questions. This book is the first attempt to answer them, by considering the 'strong readings' Alain Badiou and Gilles Deleuze impose on the texts they read. Lecercle demonstrates that philosophers need literature, as much as literary critics need philosophy.

June 2010

Plateaus—New Directions in Deleuze Studies

Series Editors: Ian Buchanan and Claire Colebrook

Hardback, 978 0 7486 3800 0; Normal: £65.00

Special price: £45.50

Special 30% discount for readers of New Left Review

To order at the discounted price, call Marston Book Services on 01235 465 500 and quote 'EUPLATNLR1'. The special price is available for individual orders received before 31st December 2010.

www.euppublishing.com

SLAVOJ ŽIŽEK

A PERMANENT ECONOMIC EMERGENCY

DURING THIS YEAR'S protests against the Eurozone's austerity measures—in Greece and, on a smaller scale, Ireland, Italy and Spain—two stories have imposed themselves.¹ The predominant, establishment story proposes a de-politicized naturalization of the crisis: the regulatory measures are presented not as decisions grounded in political choices, but as the imperatives of a neutral financial logic—if we want our economies to stabilize, we simply have to swallow the bitter pill. The other story, that of the protesting workers, students and pensioners, would see the austerity measures as yet another attempt by international financial capital to dismantle the last remainders of the welfare state. The IMF thus appears from one perspective as a neutral agent of discipline and order, and from the other as the oppressive agent of global capital.

There is a moment of truth in both perspectives. One cannot miss the superego dimension in the way the IMF treats its client states—while scolding and punishing them for unpaid debts, it simultaneously offers them new loans, which everyone knows they will not be able to return, thus drawing them deeper into the vicious cycle of debt generating more debt. On the other hand, the reason this superego strategy works is that the borrowing state, fully aware that it will never really have to repay the full amount of the debt, hopes to profit from it in the last instance.

Yet while each story contains a grain of truth, both are fundamentally false. The European establishment's story obfuscates the fact that the huge deficits have been run up as a result of massive financial sector bail-outs, as well as by falling government revenues during the recession; the big loan to Athens will be used to repay Greek debt to the great

French and German banks. The true aim of the EU guarantees is to help private banks since, if any of the Eurozone states goes bankrupt, they will be heavily hit. On the other hand, the protesters' story bears witness yet again to the misery of today's left: there is no positive programmatic content to its demands, just a generalized refusal to compromise the existing welfare state. The utopia here is not a radical change of the system, but the idea that one can maintain a welfare state *within* the system. Here, again, one should not miss the grain of truth in the countervailing argument: if we remain within the confines of the global capitalist system, then measures to wring further sums from workers, students and pensioners are, effectively, necessary.

One often hears that the true message of the Eurozone crisis is that not only the Euro, but the project of the united Europe itself is dead. But before endorsing this general statement, one should add a Leninist twist to it: Europe is dead—OK, but *which* Europe? The answer is: the post-political Europe of accommodation to the world market, the Europe which was repeatedly rejected at referendums, the Brussels technocratic-expert Europe. The Europe that presents itself as standing for cold European reason against Greek passion and corruption, for mathematics against pathetics. But, utopian as it may appear, the space is still open for another Europe: a re-politicized Europe, founded on a shared emancipatory project; the Europe that gave birth to ancient Greek democracy, to the French and October Revolutions. This is why one should avoid the temptation to react to the ongoing financial crisis with a retreat to fully sovereign nation-states, easy prey for free-floating international capital, which can play one state against the other. More than ever, the reply to every crisis should be *more* internationalist and universalist than the universality of global capital.

A new period

One thing is clear: after decades of the welfare state, when cutbacks were relatively limited and came with the promise that things would soon return to normal, we are now entering a period in which a kind of economic state of emergency is becoming permanent: turning into a constant, a way of life. It brings with it the threat of far more savage austerity measures, cuts in benefits, diminishing health and education

¹ Thanks to Udi Aloni, Saroi Giri and Alenka Zupančič.

services and more precarious employment. The left faces the difficult task of emphasizing that we are dealing with *political* economy—that there is nothing ‘natural’ in such a crisis, that the existing global economic system relies on a series of political decisions—while simultaneously being fully aware that, insofar as we remain within the capitalist system, the violation of its rules effectively causes economic breakdown, since the system obeys a pseudo-natural logic of its own. So, although we are clearly entering a new phase of enhanced exploitation, rendered easier by the conditions of the global market (outsourcing, etc.), we should also bear in mind that this is imposed by the functioning of the system itself, always on the brink of financial collapse.

It would thus be futile merely to hope that the ongoing crisis will be limited and that European capitalism will continue to guarantee a relatively high standard of living for a growing number of people. It would indeed be a strange radical politics, whose main hope is that circumstances will continue to render it inoperative and marginal. It is against such reasoning that one has to read Badiou’s motto, *mieux vaut un désastre qu’un désêtre*: better a disaster than a non-being; one has to take the risk of fidelity to an Event, even if the Event ends up in ‘obscure disaster’. The best indicator of the left’s lack of trust in itself today is its fear of crisis. A true left takes a crisis seriously, without illusions. Its basic insight is that, although crises are painful and dangerous, they are inevitable, and that they are the terrain on which battles have to be waged and won. Which is why today, more than ever, Mao Zedong’s old motto is pertinent: ‘Everything under heaven is in utter chaos; the situation is excellent.’

There is no lack of anti-capitalists today. We are even witnessing an overload of critiques of capitalism’s horrors: newspaper investigations, TV reports and best-selling books abound on companies polluting our environment, corrupt bankers who continue to get fat bonuses while their firms are saved by public money, sweatshops where children work overtime. There is, however, a catch to all this criticism, ruthless as it may appear: what is as a rule not questioned is the liberal-democratic framework within which these excesses should be fought. The goal, explicit or implied, is to regulate capitalism—through the pressure of the media, parliamentary inquiries, harsher laws, honest police investigations—but never to question the liberal-democratic institutional mechanisms of the bourgeois state of law. This remains the sacred cow, which even the

most radical forms of 'ethical anti-capitalism'—the Porto Allegre World Social Forum, the Seattle movement—do not dare to touch.

State and class

It is here that Marx's key insight remains valid, perhaps today more than ever. For Marx, the question of freedom should not be located primarily in the political sphere proper, as with the criteria the global financial institutions apply when they want to pronounce a judgement on a country—does it have free elections? Are the judges independent? Is the press free from hidden pressures? Are human rights respected? The key to actual freedom resides rather in the 'apolitical' network of social relations, from the market to the family, where the change needed for effective improvement is not political reform, but a transformation in the social relations of production. We do not vote about who owns what, or about worker-management relations in a factory; all this is left to processes outside the sphere of the political. It is illusory to expect that one can effectively change things by 'extending' democracy into this sphere, say, by organizing 'democratic' banks under people's control. Radical changes in this domain lie outside the sphere of legal rights. Such democratic procedures can, of course, have a positive role to play. But they remain part of the state apparatus of the bourgeoisie, whose purpose is to guarantee the undisturbed functioning of capitalist reproduction. In this precise sense, Badiou was right in his claim that the name of the ultimate enemy today is not capitalism, empire or exploitation, but democracy. It is the acceptance of 'democratic mechanisms' as the ultimate frame that prevents a radical transformation of capitalist relations.

Closely linked to the necessary de-fetishization of 'democratic institutions' is the de-fetishization of their negative counter-part: violence. For example, Badiou recently proposed exercising 'defensive violence' by means of building free domains at a distance from state power, subtracted from its reign (like the early Solidarnosc in Poland), and only resisting by force state attempts to crush and re-appropriate these 'liberated zones'. The problem with this formula is that it relies on a deeply problematic distinction between the 'normal' functioning of the state apparatus and the 'excessive' exercise of state violence. But the ABC of Marxist notions of class struggle is the thesis that 'peaceful' social life is itself an expression of the (temporary) victory of one class—the ruling one. From the standpoint of the subordinated and oppressed, the very existence of the

state, as an apparatus of class domination, is a fact of violence. Similarly, Robespierre argued that regicide is not justified by proving the King had committed any specific crime: the very existence of the King is a crime, an offence against the freedom of the people. In this strict sense, the use of force by the oppressed against the ruling class and its state is always ultimately 'defensive'. If we do not concede this point, we *volens nolens* 'normalize' the state and accept its violence as merely a matter of contingent excesses. The standard liberal motto—that it is sometimes necessary to resort to violence, but it is never legitimate—is not sufficient. From the radical-emancipatory perspective, one should turn it around: for the oppressed, violence is always legitimate—since their very status is the result of violence—but never necessary: it is always a matter of strategic consideration whether to use force against the enemy or not.

In short, the topic of violence should be demystified. What was wrong with 20th-century Communism was not its resort to violence *per se*—the seizure of state power, the Civil War to maintain it—but the larger mode of functioning, which made this kind of resort to violence inevitable and legitimized: the Party as the instrument of historical necessity, and so on. In a note to the CIA, advising them on how to undermine the Allende government, Henry Kissinger wrote succinctly: 'Make the economy scream'. Former US officials are openly admitting today that the same strategy is applied in Venezuela: former US Secretary of State Lawrence Eagleburger said of the Venezuelan economy on Fox News: 'It's the one weapon we have against [Chavez] to begin with, and which we should be using, namely the economic tools of trying to make the economy even worse, so that his appeal in the country and the region goes down'. In the current economic emergency, too, we are clearly not dealing with blind market processes but with highly organized, strategic interventions by states and financial institutions, intent on resolving the crisis on their own terms—and in such conditions, are not defensive counter-measures in order?

These considerations cannot but shatter the comfortable subjective position of radical intellectuals, even as they continue their mental exercises so relished throughout the 20th century: the urge to 'catastrophize' political situations. Adorno and Horkheimer saw catastrophe in the culmination of the 'dialectic of enlightenment' in the 'administered world'; Giorgio Agamben defined the 20th-century concentration camps as the 'truth' of the entire Western political project. But recall the figure

of Horkheimer in West Germany of the 1950s. While denouncing the 'eclipse of reason' in the modern Western society of consumption, he simultaneously defended this same society as the sole island of freedom in a sea of totalitarianisms and corrupt dictatorships. What if, in truth, intellectuals lead basically safe and comfortable lives, and in order to justify their livelihoods, construct scenarios of radical catastrophe? For many, no doubt, if a revolution is taking place, it should occur at a safe distance—Cuba, Nicaragua, Venezuela—so that, while their hearts are warmed by thinking about faraway events, they can go on promoting their careers. But with the current collapse of properly functioning welfare states in the advanced-industrial economies, radical intellectuals may be now approaching a moment of truth when they must make such clarifications: they wanted real change—now they can have it.

Economy as ideology

The state of permanent economic emergency does not mean that the left should abandon patient intellectual work, with no immediate 'practical use'. On the contrary: today, more than ever, one should bear in mind that communism begins with what Kant, in the famous passage of his essay, 'What is Enlightenment?', called the 'public use of reason': with the egalitarian universality of thought. Our struggle should thus highlight those aspects of the current 're-structuring' that pose a threat to trans-national open space. One example would be the EU's ongoing 'Bologna Process', which aims to 'harmonize the architecture of the European higher education system', and which is in fact a concerted attack on the public use of reason.

Underlying these reforms is the urge to subordinate higher education to the task of solving society's concrete problems through the production of expert opinions. What disappears here is the true task of thinking: not only to offer solutions to problems posed by 'society'—in reality, state and capital—but to reflect on the very form of these problems; to discern a problem in the very way we perceive a problem. The reduction of higher education to the task of producing socially useful expert knowledge is the paradigmatic form of Kant's 'private use of reason'—that is, constrained by contingent, dogmatic presuppositions—within today's global capitalism. In Kantian terms, it involves our acting as 'immature' individuals, not as free human beings who dwell in the dimension of the universality of reason.

It is crucial to link the push towards streamlining higher education—not only in the guise of direct privatization or links with business, but also in this more general sense of orienting education towards the production of expert knowledge—to the process of enclosing the commons of intellectual products, of privatizing general intellect. This process is itself part of a global transformation in the mode of ideological interpellation. It may be useful here to recall Althusser's notion of 'ideological state apparatuses'. If, in the Middle Ages, the key ISA was the Church, in the sense of religion as institution, the dawn of capitalist modernity imposed the twin hegemony of the school system and legal ideology. Individuals were formed into legal subjects through compulsory universal education, while subjects were interpellated as patriotic free citizens under the legal order. The gap was thus maintained between bourgeois and citizen, between the egotist-utilitarian individual concerned with his private interests and the *citoyen* dedicated to the universal domain of the state. Insofar as, in spontaneous ideological perception, ideology is limited to the universal sphere of citizenship, while the private sphere of egotistical interests is considered 'pre-ideological', the very gap between ideology and non-ideology is thus transposed into ideology.

What has happened in the latest stage of post-68 capitalism is that the economy itself—the logic of market and competition—has progressively imposed itself as the hegemonic ideology. In education, we are witnessing the gradual dismantling of the classical-bourgeois school ISA: the school system is less and less the compulsory network, elevated above the market and organized directly by the state, bearer of enlightened values—liberty, equality, fraternity. On behalf of the sacred formula of 'lower costs, higher efficiency', it is progressively penetrated by different forms of PPP, or public-private partnership. In the organization and legitimization of power, too, the electoral system is increasingly conceived on the model of market competition: elections are like a commercial exchange where voters 'buy' the option that offers to do the job of maintaining social order, prosecuting crime, and so on, most efficiently.

On behalf of the same formula of 'lower costs, higher efficiency', functions once exclusive to the domain of state power, like running prisons, can be privatized; the military is no longer based on universal conscription, but composed of hired mercenaries. Even the state bureaucracy is no longer perceived as the Hegelian universal class, as is becoming evident in the case of Berlusconi. In today's Italy, state power is directly

exerted by the base bourgeois who ruthlessly and openly exploits it as a means to protect his personal interests.

Even the process of engaging in emotional relations is increasingly organized along the lines of a market relationship. Such a procedure relies on self-commodification: for internet dating or marriage agencies, prospective partners present themselves as commodities, listing their qualities and posting their photos. What is missing here is what Freud called *der einzige Zug*, that singular pull which instantly makes me like or dislike the other. Love is a choice that is experienced as necessity. At a certain point, one is overwhelmed by the feeling that one already is in love, and that one cannot do otherwise. By definition, therefore, comparing qualities of respective candidates, deciding with whom to fall in love, cannot be love. This is the reason why dating agencies are an anti-love device *par excellence*.

What kind of shift in the functioning of ideology does this imply? When Althusser claims that ideology interpellates individuals into subjects, 'individuals' stand here for the living beings upon which ideological state apparatuses work, imposing upon them a network of micro-practices. By contrast, 'subject' is not a category of living being, of substance, but the outcome of these living beings being caught in the ISA *dispositif*, or mechanism; in a symbolic order. Quite logically, insofar as the economy is considered the sphere of non-ideology, this brave new world of global commodification considers itself post-ideological. The ISAs are, of course, still here; more than ever. Yet insofar as, in its self-perception, ideology is located in subjects, in contrast to pre-ideological individuals, this hegemony of the economic sphere cannot but appear as the absence of ideology. What this means is not that ideology simply 'reflects' the economy, as superstructure to its base. Rather, the economy functions here as an ideological model itself, so that we are fully justified in saying that it is operative as an ISA—in contrast to 'real' economic life, which definitely does not follow the idealized liberal-market model.

Impossibles

Today, however, we are witnessing a radical change in the working of this ideological mechanism. Agamben defines our contemporary 'post-political' or biopolitical society as one in which the multiple *dispositifs* desubjectivize individuals, without producing a new subjectivity:

Hence the eclipse of politics, which supposed real subjects or identities (workers' movement, bourgeoisie, etc.), and the triumph of economy, that is to say, of the pure activity of governing, which pursues only its own reproduction. The right and left which today follow each other in managing power have thus very little to do with the political context from which the terms that designate them originate. Today these terms simply name the two poles—the one that aims at desubjectivation, without any scruples, and the one that wants to cover it with the hypocritical mask of the good citizen of democracy—of the same machine of government.²

'Bio-politics' designates the constellation in which *dispositifs* no longer generate subjects ('interpellate individuals into subjects'), but merely administer and regulate individuals' bare life.

In such a constellation, the very idea of a radical social transformation may appear as an impossible dream—yet the term 'impossible' should make us stop and think. Today, possible and impossible are distributed in a strange way, both simultaneously exploding into excess. On the one hand, in the domains of personal freedoms and scientific technology, we are told that 'nothing is impossible': we can enjoy sex in all its perverse versions, entire archives of music, films and TV series are available to download, space travel is available to everyone (at a price). There is the prospect of enhancing our physical and psychic abilities, of manipulating our basic properties through interventions into the genome; even the tech-gnostic dream of achieving immortality by transforming our identity into software that can be downloaded into one or another set of hardware.

On the other hand, in the domain of socio-economic relations, our era perceives itself as the age of maturity in which humanity has abandoned the old millenarian utopian dreams and accepted the constraints of reality—read: capitalist socio-economic reality—with all its impossibilities. The commandment YOU CANNOT is its *mot d'ordre*: you cannot engage in large collective acts, which necessarily end in totalitarian terror; you cannot cling to the old welfare state, it makes you non-competitive and leads to economic crisis; you cannot isolate yourself from the global market, without falling prey to the spectre of North Korean *juche*. In its ideological version, ecology also adds its own list of impossibilities, so-called threshold values—no more than two degrees of global warming—based on 'expert opinions'.

² Giorgio Agamben, *Qu'est-ce qu'un dispositif?*, Paris 2007, pp. 46–7.

It is crucial to distinguish here between two impossibilities: the impossible-real of a social antagonism, and the 'impossibility' on which the predominant ideological field focuses. Impossibility is here redoubled, it serves as a mask of itself: that is, the ideological function of the second impossibility is to obfuscate the real of the first. Today, the ruling ideology endeavours to make us accept the 'impossibility' of radical change, of abolishing capitalism, of a democracy not reduced to a corrupt parliamentary game, in order to render invisible the impossible-real of the antagonism that cuts across capitalist societies. This real is 'impossible' in the sense that it is the impossible of the existing social order, its constitutive antagonism; which is not to imply that this impossible-real cannot be directly dealt with, or radically transformed.

This is why Lacan's formula for overcoming an ideological impossibility is not 'everything is possible', but 'the impossible happens'. The Lacanian impossible-real is not an *a priori* limitation, which needs to be realistically taken into account, but the domain of action. An act is more than an intervention into the domain of the possible—an act changes the very coordinates of what is possible and thus retroactively creates its own conditions of possibility. This is why communism also concerns the real: to act as a communist means to intervene into the real of the basic antagonism which underlies today's global capitalism.

Freedoms?

But the question persists: what does such a programmatic statement about doing the impossible amount to, when we are confronted with an empirical impossibility: the fiasco of communism as an idea able to mobilize large masses? Two years before his death, when it became clear that there would be no all-European revolution, and knowing the idea of building socialism in one country to be nonsense, Lenin wrote:

What if the complete hopelessness of the situation, by stimulating the efforts of the workers and peasants tenfold, offered us the opportunity to create the fundamental requisites of civilization in a different way from that of the West European countries?³

Has this not been the predicament of the Morales government in Bolivia, of the Chavez government in Venezuela, of the Maoist government

³ V. I. Lenin, 'Our Revolution' [1923], in *Collected Works*, vol. 33, Moscow 1966, p. 479.

in Nepal? They came to power through 'fair' democratic elections, not through insurrection. But once in power, they exerted it in a way which is partially, at least, 'non-statal': directly mobilizing their supporters, by-passing the party-state representative network. Their situation is 'objectively' hopeless: the whole drift of history is basically against them, they cannot rely on any 'objective tendencies' pushing in their way, all they can do is to improvise, do what they can in a desperate situation. But, nonetheless, does this not give them a unique freedom? And are we—today's left—not all in exactly the same situation?

Ours is thus the very opposite of the classical early 20th-century situation, in which the left knew what had to be done (establish the dictatorship of the proletariat), but had to wait patiently for the proper moment of execution. Today we do not know what we have to do, but we have to act now, because the consequence of non-action could be disastrous. We will be forced to live 'as if we were free'. We will have to risk taking steps into the abyss, in totally inappropriate situations; we will have to reinvent aspects of the new, just to keep the machinery going and maintain what was good in the old—education, healthcare, basic social services. In short, our situation is like what Stalin said about the atom bomb: not for those with weak nerves. Or as Gramsci said, characterizing the epoch that began with the First World War, 'the old world is dying, and the new world struggles to be born: now is the time of monsters'.

NEW FROM VERSO



THE HEGEL VARIATIONS

Fredric Jameson

HB • \$24.95/£14.99/\$31CAN • 978-1-84467-616-3

Jameson's "postmodern Marxism" could restore the dialectic as a scandal and abomination to bourgeoisdom.'—*The Philosopher's Magazine*

Setting aside both the safe, scaled-back Hegel recently reclaimed for technical philosophizing, and the Hegel of the closed totality, Jameson uncovers a more radical thinker. For Jameson, the *Phenomenology* has a productively ambivalent status in Hegel's *oeuvre*, its dialectic not reducible to method nor schema, but always restless and radically open-ended.



THE COMMUNIST HYPOTHESIS

Alain Badiou

HB • \$19.95/£12.99/\$25CAN • 978-1-84467-600-2

'An heir to Jean-Paul Sartre and Louis Althusser'
—*New Statesman*

Demanding that we remain true to the 'Communist Hypothesis', with all its failures, against the proclaimed illegitimacy of opposition to capitalism and the 'state parliamentary system', Badiou proceeds via meditations on failure, on May '68, the Commune and the Cultural Revolution, to an incisive analysis of the 'Idea of Communism'.

V
V E R S O

Available now from all good bookshops

PETER NOLAN & JIN ZHANG

GLOBAL COMPETITION AFTER THE FINANCIAL CRISIS

WHILE THE ECONOMIES of the US, Europe and Japan are still struggling to emerge from their post-2008 recessions, to date China has continued on its path of upward growth, apparently undaunted by the global financial crisis. In 2009 the PRC overtook Germany to become the world's largest exporter of goods, with 34 firms in the Fortune 500. The market capitalization of Chinese firms in the FT 500 was second only to that of American firms, while in the banking sector, the top three positions were occupied by Chinese institutions. Indeed, it has been suggested that the PRC has used the financial crisis to embark on a buying spree of western companies. In the autumn of 2009, *Fortune* ran a cover story under the banner, 'China Buys the World', with the sub-heading: 'The Chinese have \$2 trillion and are going shopping. Is your company—and your country—on their list?'

In fact, Chinese companies face enormous competitive challenges in operating on the international stage. Contrary to the belief of mainstream economists that opening up developing economies would provide opportunities for indigenous firms to catch up with those of high-income countries—a perspective epitomized by Thomas Friedman's 2005 *The World is Flat*—the three decades of globalization in the run-up to the 2008 financial crisis witnessed an unprecedented degree of international consolidation and industrial concentration.² This process took place in almost every sector, including high-tech products, branded consumer goods and financial services. Alongside a huge increase in global output, the number of leading firms in most industrial sectors shrank.

This is not inconsistent, of course, with the existence of numerous firms that employ a large number of people, yet produce a relatively small share of global output, for sale mainly to poor and lower-middle income consumers. In the mining industry, for example, a handful of firms employing highly skilled labour and large-scale complex equipment accounts for the lion's share of internationally traded coal, iron ore and other mining products. These companies have a total of a few hundred thousand employees and sell mainly to multinational customers in the advanced-industrial sector. In addition, there are tens of thousands of small-scale mines around the world that employ many millions of workers, typically in dangerous conditions, using simple extraction methods; they sell mainly to small-scale local customers in the informal sector, who, in turn, sell their low-quality products to poor people. But the 'commanding heights' of the world economy are almost entirely occupied by firms from high-income countries, whose principal customers are the global middle class. In many sectors, two or three firms account for more than half of total sales revenue (see Table 1).

In this context, well-known firms with superior technologies and powerful brands have emerged as 'systems integrators', at the apex of extended value chains. In the process of consolidating their lead, these giant companies exert intense pressure upon their suppliers, further increasing concentration as components' firms struggle to meet their requirements. This 'cascade effect' has profound implications for the nature of competition and technical progress. It also means that the challenge facing firms from developing countries is far greater than at first sight appears. Not only do they face immense difficulties in catching up with the leading systems integrators, the visible part of the 'iceberg' of industrial structure. They also have to compete with the powerful firms that now dominate almost every segment of global supply chains, the invisible part of the 'iceberg' that lies beneath the water (see Table 2). Thus, just two firms produce 75 per cent of the world supply of braking systems for large commercial aircraft; three firms produce 75 per cent of constant-velocity joints for automobiles. Companies from developing

¹ *Fortune*, 2 November 2009.

² The process was more accurately captured by non-mainstream economists: see Joseph Schumpeter, *Capitalism, Socialism and Democracy*, London 1943; Alfred Chandler, *Scale and Scope: The Dynamics of Industrial Capitalism*, Cambridge, MA 1990; and Edith Penrose, *The Theory of the Growth of the Firm*, Oxford 1995.

TABLE 1. *Industrial concentration among system-integrator firms, 2006–09*

	<i>Number of firms</i>	<i>Global market share</i>
Large commercial aircraft	2	100
Automobiles	10	77
Fixed-line telecoms infrastructure	5	83
Mobile telecoms infrastructure	3	77
PCs	4	55
Mobile handsets	3	65
Pharmaceuticals	10	69
Construction equipment	4	44
Agricultural equipment	3	69
Cigarettes	4	75*

Source: *Financial Times* and company annual reports, estimates of market share * Excluding China.

TABLE 2. *Industrial consolidation within global value chains, 2006–08*

	<i>Number of firms</i>	<i>Global market share</i>
<i>Large commercial aircraft</i>		
Engines	3*	100
Braking systems	2	75
Tires	3	100
<i>Automobiles</i>		
Auto glass	3	75
Constant velocity joints	3	75
Tires	3	55
<i>Information Technology</i>		
Micro-processors for PCs	2	100
PC operating systems	1	90
Glass for LCD screens	2	78

Source: *Financial Times* and company annual reports. * Including GE's joint venture with Snecma

countries are trying to enter the 'global level playing field' at a time when the consolidation of business power has never been greater.³

The high degree of concentration in terms of market share that emerged in the era of globalization has been accompanied by an equally high degree of concentration in technical progress. Three sectors dominate overall investment in R&D, accounting for almost two-thirds of the total investment by the G1400, the world's top 1,400 firms. These sectors are technology hardware and equipment, together with software and computer services, which account for 26 per cent of G1400 R&D investment; pharmaceuticals, healthcare equipment and services, which get 21 per cent; and autos 17 per cent.⁴ As a further illustration of core consolidation, companies from the US, Japan, Germany, France and the UK account for 80 per cent of the G1400, while within this group, the top hundred firms account for 60 per cent of total R&D investment.

Consolidation and the crisis

How has the financial crisis affected the ongoing process of global concentration? Although the value of mergers and acquisitions fell steeply alongside the collapse in stock markets from September 2008, in real terms there was a large amount of M&A activity over the three-year period of 2007–09, and plenty of opportunities to acquire assets relatively cheaply as the crisis intensified. There were 169 cross-border mergers and acquisitions valued at over \$3 billion in 2007–08, of which just eight involved companies with headquarters in low and middle-income countries.⁵ The pharmaceutical sector saw around twenty mergers and acquisitions valued at over \$1 billion between 2007 and 2010, and there was a spate of mega-deals in IT.⁶ None of these involved firms from developing countries acquiring firms in the advanced-capitalist core;

³ For a detailed analysis of globalization, industrial consolidation and the 'cascade effect' see Nolan, *China and the Global Economy*, Basingstoke 2001; and Nolan, Zhang and Chunhang Liu, *The Global Business Revolution and the Cascade Effect*, Basingstoke 2007.

⁴ Other important sectors are electronics and electrical equipment (7 per cent), aerospace and military (4 per cent) and chemicals (4 per cent).

⁵ UNCTAD, *World Investment Report 2008*, Geneva 2008, pp. 204–5; and UNCTAD, *World Investment Report 2009*, Geneva 2009, pp. 216–7.

⁶ In pharmaceuticals these included Pfizer's acquisition of Wyeth, Novartis's of Alcon, Roche's of Genentech and Merck's of Schering-Plough; in IT, Nokia bought Naveq, HP bought HDS, SAP acquired Business Objects, and Oracle snapped up both BEA and Sun.

indeed the foremost developing-country pharmaceutical firm, Ranbaxy, was acquired by Japan's Daiichi Sankyo.

It was in the financial sector, of course, that the most dramatic series of mergers and acquisitions took place. In the heat of the crisis, governments in the high-income countries 'circled the wagons' around their own financial institutions and encouraged a round of high-speed buy-outs that would have been unthinkable only a few months before. JPMorgan acquired both Bear Stearns and Washington Mutual; Bank of America acquired Merrill Lynch; Wells Fargo acquired Wachovia; BNP Paribas acquired the main part of Fortis; Lloyds TSB acquired HBOS; Nomura and Barclays Capital divided Lehman Brothers between them; Santander acquired ABN Amro's Latin American operations, as well as Abbey National and Bradford & Bingley; and Commerzbank acquired Dresdner Bank. The principal acquisitions were made at bargain-basement prices: in 2007, the combined market capitalization of the main target banks stood at around \$500 billion; their competitors acquired them for less than a fifth of this amount.⁷ The upshot was the further consolidation of the sector's oligopoly. In 1997, the top twenty-five banks held 28 per cent of total assets of the thousand largest banks; by 2006, their share had risen to 41 per cent; by 2009, it had expanded further, to 45 per cent.⁸ Once again, banks from developing countries played no role whatsoever in this process.

Between 1980 and 2008, the globalization decades, companies from the advanced capitalist core increased their outward stock of FDI from \$503 billion to \$13,623 billion. Developing-country firms also increased their outward stock of FDI, but by 2008 their total amounted to less than a fifth of the core's. Indeed the combined outward FDI of the so-called BRIC countries—Brazil, Russia, India and China—was less than that of the Netherlands alone. During this period, business structures within the developed world became increasingly intertwined, with a significant expansion of foreign share-ownership: by 2008, foreign investors owned 37 per cent of the equity of European firms.⁹ Companies headquartered in one core country 'went out' to other core economies, while their home

⁷ For example, JPMorgan acquired Washington Mutual for just \$1.9 billion, Wells Fargo acquired Wachovia for just \$15 billion and Lloyds TSB acquired HBOS for around \$8 billion.

⁸ *The Banker*, July 2006 and 2009.

⁹ *Financial Times*, 1 March 2010.

country also saw other rich-world firms 'coming in'. The inward stock of FDI in the advanced economies rose from \$394 billion in 1980 to \$10,213 billion in 2008, mostly from other advanced economies. Between 1987 and 2008 there were 2,219 cross-border 'mega-mergers' of over \$1 billion, with a total value of \$7,232 billion, most of which involved firms from developed countries.¹⁰ It could be said of the business systems of the high-income countries: 'you have me within you, and I have you within me'.

The growth of international investment by multinational companies increased dramatically over the three decades of globalization. World trade grew at over 8 per cent per annum between the early 1980s and 2008, significantly faster than the growth of world output; but overseas investment by international firms grew even faster, rising from 5 per cent of global GDP in 1982 to 27 per cent in 2008. For the hundred largest multinational companies, international assets, sales and labour forces outstripped their domestic equivalents: by 2008, foreign assets made up 57 per cent of these companies' total assets, foreign sales amounted to 61 per cent of their total sales, and foreign employment was 58 per cent of total employment. Yet on the eve of the crisis, the international assets and foreign revenues of the 'top hundred TNCs from developing countries'—including firms from South Korea, Kuwait and Qatar—amounted to barely 14 per cent of those of the world's hundred largest TNCs (see Table 3).¹¹ In 2008, only three of the top 100 non-financial firms had their headquarters in low and middle-income countries.

China in perspective

To what extent does the PRC show signs of breaking this mould? China's foreign-exchange reserves famously reached over \$2.3 trillion in 2009, the largest of any state. Yet to put this in perspective, the market capitalization of the top ten US firms alone amounted to \$2.4 trillion, while the top 500 asset managers had a total of \$63.7 trillion at their command—of which 96 per cent was managed by firms from Europe, North America and Japan. We should also recall that China's foreign-exchange reserves amount to only \$1,800 per person, compared with \$5,600 per person for Korea, or \$8,400 for Japan.

¹⁰ UNCTAD, *World Investment Report 2009*, p. 11.

¹¹ UNCTAD includes Taiwan, Singapore, Hong Kong, Kuwait, Qatar and Republic of Korea as 'developing economies', classified by the World Bank as 'high-income'. These contain 59 of UNCTAD's '100 largest TNCs from developing economies'.

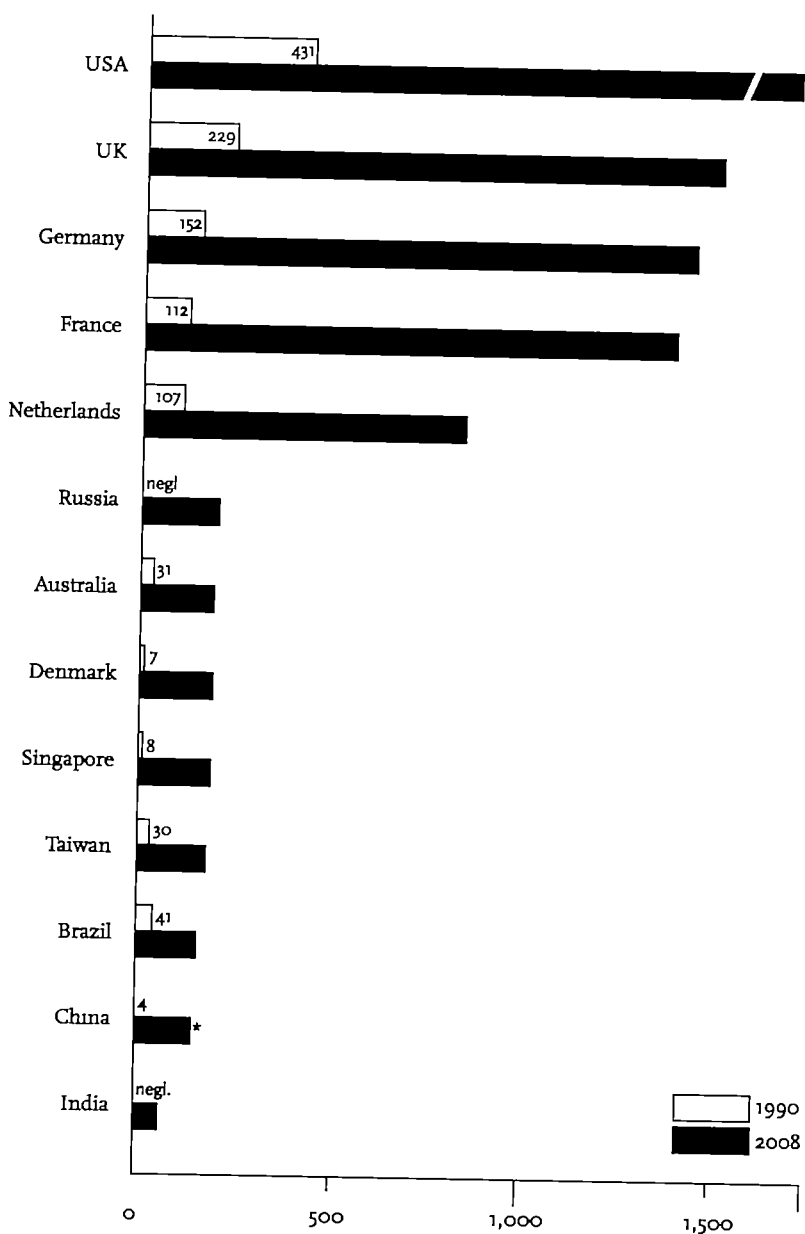
TABLE 3. *Comparing world's largest TNCs with developing-economy TNCs*

	A	B	B/A
	100 largest TNCs	100 largest developing-economy TNCs	(%)
<i>Assets (\$ billion)</i>			
Foreign	6,094	767	12.6
Total	10,687	2,186	20.5
Foreign as % of total	57	35	
<i>Sales (\$ billion)</i>			
Foreign	5,208	737	14.1
Total	8,518	1,617	19.0
Foreign as % of total	61	46	
<i>Employment ('000s)</i>			
Foreign	8,898	2,638	29.6
Total	15,302	6,082	39.7
Foreign as % of total	58	43	

Source: UNCTAD, *World Investment Report* 2009, Geneva.

In recent years, the PRC's largest firms have rapidly increased their acquisition of overseas assets: outward stock of FDI rose from \$28 billion in 2000 to \$148 billion in 2008.¹² However, China's companies are still at the earliest stage of constructing global businesses. Their level of FDI is small compared with the immense production systems that have been built up across the world by the leading international corporations. Among developing countries, China's total stock of outward FDI is less than that of Russia, Singapore or Brazil (Figure 1, overleaf). It is less than a tenth of the UK's, and less than a twentieth of the US's. Significantly, nearly two-thirds of China's outward FDI goes to Hong Kong and Macao and less than a tenth to the high-income countries, in which Chinese companies have virtually no presence (Table 4, overleaf).

¹² UNCTAD, *World Investment Report* 2009, p. 253.

FIGURE 1. *Outward stock of FDI in \$ billions, 1990 and 2008*

Source: UNCTAD, *World Investment Report*, Geneva, 2009 * Includes flows to Hong Kong and Macao.

TABLE 4. *Distribution of China's outward FDI*

<i>Region</i>	<i>\$ billion</i>	<i>Per cent of total</i>
Hong Kong/Macao	119.2	64.8
Latin America	32.2	17.5
Cayman Islands	20.3	11.1
Virgin Islands	10.5	5.7
Africa	7.8	4.3
Europe	5.1	2.8
Oceania	3.8	2.1
North America	3.7	2.0
Singapore	3.3	1.8
Korea	0.9	0.5
Japan	0.5	0.3

Source: State Statistical Bureau, 2009, p. 752.

China's total outward stock of FDI amounts to only a small fraction of the total value of foreign assets accumulated by any one of the world's leading multinationals—GE, Vodaphone, Royal Dutch Shell or Toyota (see Table 5, overleaf). The total stock of China's FDI in the advanced economies amounts to only \$17 billion, less than 5 per cent of its inward stock of FDI, most of which is from companies headquartered in Europe, North America and East Asia. Large firms from these regions are deeply embedded in the Chinese economy, while China's firms are almost invisible within the advanced core: 'I have you within me, but you do not have me within you'.

China's giant state-owned banks have undertaken significant reforms in recent years. Some of the world's biggest financial institutions have become strategic investors and have been involved in restructuring their operational mechanisms. Chinese banks have invested heavily in information technology, which has helped transform their internal control systems. They have floated a share of their equity on the stock market, which has led to close scrutiny of their performance by shareholders and the mass media, both in China and internationally. They have appointed independent directors, as well as directors representing their main

TABLE 5. *China's FDI stock in comparative perspective, 2008*

	\$ billion
<i>China's outward FDI stock (excl. Hong Kong/Macao)</i>	65
Mining	23
Manufacturing	10
<i>Outward FDI stock of high-income countries</i>	13,624
EU	8,087
US	3,162
Japan	680
<i>Foreign assets of world's top 100 TNCs</i>	6,094
GE	400
Vodafone	205
Royal Dutch Shell	222
BP	188
Exxon Mobil	161
Toyota	183
Total	141
EDF	129
Ford	103
E.On	141

Source: State Statistical Bureau, 2009; UNCTAD, 2009

shareholders, which has helped shake up management practices. The international operations of China's largest banks have advanced significantly in recent years, including ICBC's \$5.6 billion minority investment in Standard Bank of South Africa. By 2009, as noted above, the world's top three banks in terms of market capitalization were Chinese.

However, the international operations of China's leading banks remain far behind those of the Atlantic core. China does not have a single bank among the world's top fifty, ranked by geographical spread. The 2008 financial crisis appeared to offer a once-in-a-lifetime opportunity to acquire banking assets in the high-income countries—yet, despite their huge market capitalization, China's banks were conspicuously absent

from the wave of mergers and acquisitions in this sector. It requires a huge leap to progress from being a powerful domestic bank, operating in a heavily protected home market, to one that is globally competitive and able to finalize large-scale international mergers and acquisitions. In addition, the few attempts that have been made by Chinese companies to make a substantial acquisition or a large equity investment in the US have attracted intense media and political scrutiny. This clearly complicates the possibility of China's firms expanding their international operations.

Intensification

The global financial crisis marks a critical point in the evolution of the modern world. One cannot simply project trends from the 'Golden Age' of globalization into the future. The era of free-market fundamentalism is over, but there is deep uncertainty about the future structure of the global political economy and hence about inter-state relations. In this context, a sober understanding of the evolution of global business systems in the past three decades is vital. As we have seen, companies headquartered in the high-income countries were in prime position to benefit from the liberalization of international economic relations that was at the heart of the Washington Consensus. The age of globalization witnessed the rapid consolidation of systems-integrator firms and their supply chains. Large companies from the advanced economies vastly expanded their international investment, building production networks across the globe. Technical progress during these decades was driven by intense oligopolistic competition among leading global firms.

China is still a developing country, far from having 'caught up' with the advanced economies. Although its population is nearly 300 million larger than that of all the high-income countries combined, China's national output is less than a fifth of theirs, and its exports around a tenth. Chinese firms have grown enormously in terms of their sales and stock-market capitalization, and have made significant technical advances. Yet they face real challenges in meeting the PRC's development needs: innovative technologies for transport, energy generation and transmission, carbon capture and sequestration, construction and food production. The relationship between foreign multinationals and indigenous firms in the country's technical progress is still evolving. Meanwhile, the intensity of inter-firm competition has increased

drastically during the globalization period, as company size has grown and global markets have become tightly integrated. The relative weakness of China's large firms in international competition was reflected in the fact that they played little part in merger and acquisition activity during the financial crisis. At the same time, China is centrally important for the long-term growth prospects of the multinational companies that dominate the apex of the global business system. A long and complex process lies ahead.

NEW FROM VERSO



A COMPANION TO MARX'S *CAPITAL*

David Harvey

PB • \$19.95/£10.99/\$25CAN • 978-1-84467-359-9

HB • \$100/£55/\$110CAN • 978-1-84467-358-2

'David Harvey provoked a revolution in his field and has inspired a generation of radical intellectuals'—Naomi Klein

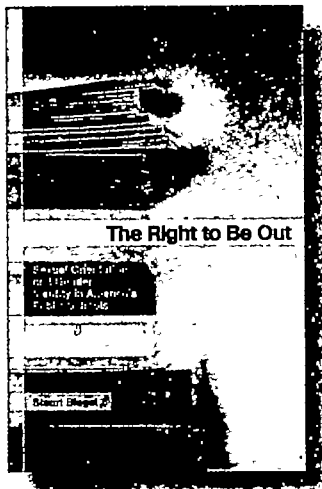
Drawing on forty years of lectures on the subject, David Harvey presents a reading of *Capital*, following the reasoning and development of Marx's argument as well as highlighting the texture and richness of the work.



VERSO

Available now from all good bookshops

New from University of Minnesota Press



The Right to Be Out

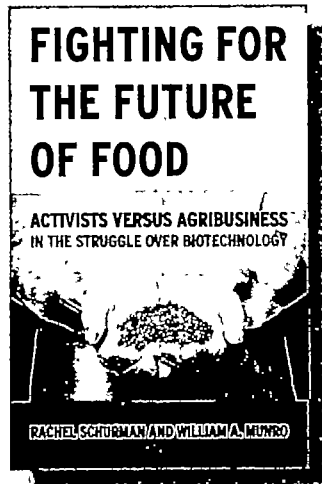
*Sexual Orientation and Gender Identity
in America's Public Schools*

Stuart Biegel

\$19.95 paper, 328 pages

'Biegel breaks new ground in framing the right to be out as a nexus between civil rights and civil liberties; an invaluable analysis of law and educational policy for anyone who might dare to envision a school—or a society—that is truly safe, free and fair for every member of the community.'

—Anthony Romero, Executive Director,
American Civil Liberties Union



Fighting for the Future of Food

*Activists versus Agribusiness in the
Struggle over Biotechnology*

Rachel Schurman and William A. Munro

\$22.50 paper, 296 pages

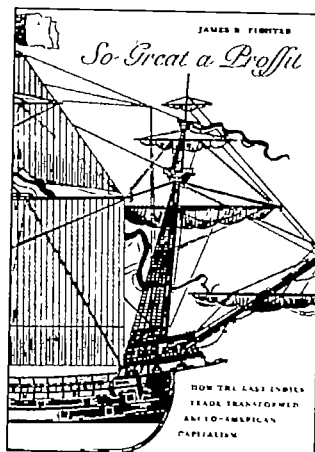
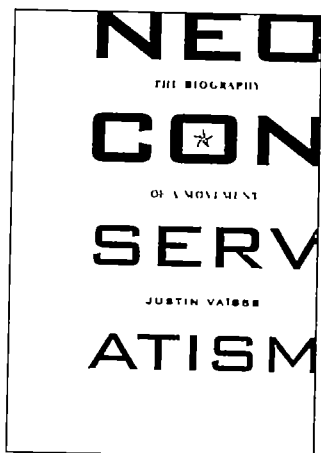
'Rachel Schurman and William A. Munro take a fresh and carefully balanced look at the social movement spawned by this technology. Anyone who wants to understand why groups across the globe oppose genetically modified foods will find this book revelatory.'

—Marion Nestle, author of *Food Politics*
and *Safe Food*

UNIVERSITY OF MINNESOTA PRESS

Available at better bookshops or to order call 1 800 621 2736 • www.upress.umn.edu

MINNESOTA



NEOCONSERVATISM

The Biography of a Movement

JUSTIN VAÏSSE

Translated by **Arthur Goldhammer**

Vaïsse gives neoconservatism its due as a complex movement and predicts it will remain an influential force in the political landscape. He covers neglected figures of its history, and offers new insight into two largely overlooked organisations

Belknap Press / 978-0-674-05051-8 / £25.95

SO GREAT A PROFFIT

How the East Indies Trade Transformed Anglo-American Capitalism

JAMES R. FICHTER

Explores how American trade proved pivotal to the evolution of capitalism in the US and helped to shape the course of the British Empire. Fichter revolutionises our understanding of the early American economy and the relationship between the young nation and its former colonial master

978-0-674-05057-0 / £25.95



HARVARD UNIVERSITY PRESS

WWW.HUP.HARVARD.EDU

EMAIL: CS-BOOKS@WILEY.COM

UK TEL: +44-(0)207-306-0603

FREDRIC JAMESON

REGIEOPER, OR EUROTRASH?

THE OPENING OF a new Danish production of Wagner's *Tannhäuser* would not be the occasion for extended theoretical comment were it not for a world-wide Wagner revival, in which the sheer number of new stagings of Wagnerian music dramas has overtaken, we are told, the revivals of virtually all now classic 20th-century (or 'modern') operas. Perhaps the career of its director, Kasper Bech Holten, director of the Royal Danish Opera at the age of 27 and soon to join the new cultural globalization of internationally mobile conductors, virtuosi, multi-lingual actors and soccer players, can add an additional perspective to what looks like the development of a new historical phenomenon, which neither Wagner's genius nor Holten's talent are sufficient to explain.

Tannhäuser may indeed seem to offer a merely peripheral occasion for examining such developments, since it was something of a transitional work in Wagner's own career, and one whose libretto was flawed in ways that tormented Wagner throughout his life. Indeed, a week or so before his death he told Cosima, I owe the world a *Tannhäuser*; this, after in the bitter disappointment of the first Bayreuth *Ring* he had decided to abandon opera for purely orchestral compositions. But *Tannhäuser* (first performed in Dresden before the revolution, but still a 'romantic opera' and not a 'music drama') remained unfinished business: an amalgam of two mediaeval sources which was too big for its rather conventional and rigid theatrical form (choruses, theatrical set pieces, lack of stage machinery, summarily reported off-stage action), the space for traditional arias not yet effaced by the theory and practice of the leitmotif, yet not really serving any longer for full-blown Bellini-style virtuosity.

There are some foreshadowings: the singing contest between the Minnesänger will be fully realized, for example, only in its more bourgeois form by *Die Meistersinger*: and *Tannhäuser*'s prize-winning

song will never quite take on the centrality of Walther's, even though it exemplifies the auto-referentiality, the music about music, which is always implicit in opera and lurking beneath the surface of the form.

The great song duel of the Minnesänger on the Wartburg—a seemingly legendary event supposed to have taken place around 1207—is attributed to real historical figures (with the exceptions of Tannhäuser himself), and was fictionalized by E. T. A. Hoffman well before Wagner. The other mediaeval legend combined with this one in the opera has to do with humans enticed into magical or diabolical realms from which they are then unable to escape: in this case the realm of Venus, who has been absorbed into Christian culture along with the other pagan deities and transformed into a demonic agency (as documented by Jean Seznec in a classic work). The Venusberg—*mons veneris*!—into which poor Tannhäuser has been tempted and which henceforth holds him in thrall, is just such a pagan space, which inspires horror in the Christian subjects of the above-ground daylight world, very much including the court of Eisenach. This is clearly a first and virtually overt dramatization of what is today clinically (and comically) termed sex addiction: and of course it also slips effortlessly into the conventional Romantic motif of the two lovers—dark and fair, but more significantly physical and spiritual, whore and mother, prostitute and wife-and-family. For Tannhäuser knows a pure and spiritual love for Elisabeth, the sister of the Elector Heinrich and the patroness of the song duels, as it were the judge and poetic emblem of Minne—courtly love—itself. In Wagner this purer face of love (which has its carnal one in Lady Venus) is endowed (as is the latter) with its own characteristic music, and yet that music is also identified with the pilgrims and the Christian religion in general in such a way that we confront three positions rather than two, and everything is thereby irredeemably confused and confounded.

Venus and the devil

This was surely one of the flaws that bedeviled Wagner in hindsight: for it is not at all clear why the spiritual purity associated with Elisabeth, and with courtly love generally, should be identified with the church and with religion as such. The sex drive, and whatever relief (chastity, sublimation) or release from it, are libidinal affects which do not particularly require the Western theological ideology of sin and redemption for their justification. When the drama of erotic temptation is repeated in the

much-later *Parsifal*—where Wagner in his old age takes a decided position for chastity—the religious solemnity need not be read as Christian at all, and many believers have refused to acknowledge the work as theologically orthodox. Wagner certainly meant it to have a ritualistic and cultic flavour: it was not supposed to be performed anywhere but in its temple, Bayreuth; and yet—and despite his professed anti-Semitism—he was perfectly content to have it premiered by a Jewish conductor.

What is more interesting about the relationship between *Tannhäuser* and *Parsifal* is their deeper and less visible kinship through the sources. Wagner certainly knew the Hoffmann novella, where the demonic poet-figure is called Heinrich von Ofterdingen, a name also consecrated by Novalis's novel: indeed Tannhäuser is occasionally addressed as Heinrich by careless colleagues in Wagner's opera. Hoffmann's poet is not, however, tormented by sex, but rather by the quality of his verse, and appeals to a magician to endow him with heightened talents, ultimately derived from the devil. This magician is named Klingsor, and Wagner will transport him to Spain in *Parsifal* where, as a fallen Grail-knight, he exercises his powers of temptation in the magic Moorish garden that explicitly offers sexual bliss; and which Parsifal, in his innocence and purity, his refusal of temptation, reduces to dust. Klingsor's garden in *Parsifal* and the Venusberg in *Tannhäuser* have much in common, including extraordinary music; but the opposition is more convincing and dramatic in the later music drama, where Klingsor has paid for his magic by castrating himself—much as Alberich does, albeit symbolically, in the *Ring*.

I would also hazard another, more 'scholarly' hypothesis, which bears on Wagner's development in a different way. In the early 1840s, the German operatic tradition was inauspicious, and the outstanding exemplar of opera anywhere was still Bellini, whom Wagner admired. The motif of selling one's soul to the devil, however, was at the centre of the one truly successful German opera of the period, namely Weber's *Freischütz*, with its deep Teutonic forests, magic bullets, hunters and their competitions, although here shooting, not singing. This work not only set a glorious musical example for Wagner, it also pointed the way to that use of Germanic material which he would so triumphantly exploit later on. I suggest then that the Hoffmann novella is the key to the meaning of Wagner's synthesis in *Tannhäuser*, Venus and the motif of paganism in reality conceal the ur-Germanic motif of the devil

which, given Weber (and to be sure Goethe's *Faust*), Wagner could not use without an obvious confession of unoriginality. At the same time the link inspires further work in the Teutonic vein, whose variety will become apparent in all of Wagner's successive works.

So how does Wagner handle the representation of the spell of Venus? The addition of a Venusberg ballet for the Paris production (1860) is too well-known a story to be repeated here: the Jockey Club audience of the Second Empire required a ballet in the final act; Wagner told the authorities—the production had been ordered by the Emperor himself—that they would have it in the first act or not at all. The performance was a failure, but one that vouchsafed Wagner European fame and ourselves Baudelaire's great essay. True: Wagner and the traditions of operatic ballet go poorly together, and productions of *Tannhäuser* are about as successful in solving the problem as are those of *Parsifal*'s flower maidens in Act Two; orgies apparently require lots of dancing.

The Copenhagen take

But now we have Kasper Bech Holten's solution, prodigious as always. We are not in a dimly lit (but reddish) grotto with, 'in the distance', as Wagner specifies, 'a bluish lake' filled with 'the swimming figures of Naiads'; but rather in the interior of a large mansion with many different staircases, whose foreground is furnished only by a writing desk at which *Tannhäuser* is at work. I should pause here to underscore the peculiarity of this 'reading', which seems to require the doubling of *Tannhäuser*'s musical vocation with that of another art, namely writing. This seems to be a favourite conceit with Holten, as we shall see, which we should perhaps none too quickly associate with the old 60s proto-structuralist thematics of *écriture*, even though the troubadours were poets as well as composers and Holten's *Tannhäuser* is clearly a *graphomane* as well as a performer. Holten's reading of the opera's final act testifies that the hero keeps journals and writes narratives fully as much as he does verses.¹

¹ I am tempted to generalize this doubling in the light of the then 29-year-old Katharina Wagner's sensational Bayreuth *Meistersinger* a few years ago in which the competing singers are also staged as painters, as though it were necessary to superimpose several arts or media in order to disengage the plot from an old kind of opposition between tradition and genius; introducing as she does, the new and historical issue of modernism and the relationship of the history of art to that of the political itself.

Holten does, however, retain Wagnerian orthodoxy to the extent of insisting on the fundamentally sexual inspiration of Tannhäuser's art, exaggerating it only by the seeming affirmation that it is solely under Venus's spell that he can write anything at all.

Be that as it may, however, what interests us is first and foremost the set. Frau Venus's red wig suggests that we are observing an up-market bordello of some kind, and there are to be sure a few courtesans wandering through. But so far the whole thing is decent and well behaved; and the space is mainly peopled by domestics: young women in Victorian costumes, young men in the formal attire of butlers or valets. The curtain has indeed risen on the famous Overture (the moment Wagner insolently designated for the Paris ballet). Sedate and pious opening bars accompany the lady of the house—not Venus; Elisabeth!—and her young son; they approach the industrious writer and encourage him, then retreat to be the horrified witnesses of what follows, from which they quickly withdraw. For Holten has staged, in concert with the bacchanal tones that begin to infiltrate this overture, an extraordinary awakening of frenzy, which seizes on the servants, men and women alike (it may be the first time, in this Venusberg delirium, that men have been given an equal role with women, at best normally accompanied by a self-effacing male dancer). The Dionysian music—I don't know whether Nietzsche ever recorded his thoughts on this particular exemplification of the god—may well reflect the evolving subject-matter of Tannhäuser's inspiration, or the latter indeed may itself cause it. The ambiguity is worthy of the later 'music dramas' and their new aesthetic.

The director succeeds in staging an extraordinary pandemonium, which rises in crescendo along with the score: in an infectious frenzy the men tear their shirts off, the maids begin to pour buckets of water over themselves to cool the fever, acrobatics take the place of classical ballet moves, the participants flinging themselves back and forth across the stage and eventually drawing Tannhäuser himself into this frenzy in which he participates only to the degree that he begins to write (frenziedly) upon the increasingly naked bodies of the dancers (shades of the poststructural theories of *écriture* and tattoo!). Finally, and coinciding with Tannhäuser's increasing disgust with the orgy, and with sex itself, a transcendental moment is reached in which one of the participants—they are now running up and down the multifarious staircases—can be observed to mount the highest storey of these criss-crossing flights

of steps *upside down*! Calmly hanging in midair, he scales these grades without effort, as though it were the most normal activity in the world; indeed the audience only gradually becomes aware of him, so insignificant and prosaic does this detail seem in the chaos in full movement all over the rest of the stage. It is an *o altitudo!* you can find occasionally in the words of literature, or the sounds of music, perhaps even in that 'frozen music' which is architecture; but not on stage in this fashion; not in this disbelief of eyes too stunned even to feel surprise! Such are, however, the sublime moments of the high style and expressivity of *Regieoper*—director's opera—of postmodern staging, and of Holten's extraordinary imagination.

Rebus aesthetic

There is to be sure a purpose in all this, or rather a point Holten is making. This bit of staging composes a sign—in the hieroglyphic or ideogrammatic sense, rather than the linguistic one. Holten wants us to understand that at this moment Tannhäuser is undergoing a transvaluation, so to speak, a swinging of the pendulum of values back to purity and chastity, or faithfulness, and away from the exhausting frenzies of the 'Venusberg' itself: in other words, his ideals have been utterly turned upside down. But to put it that way is truly to trivialize an extraordinary language of stagecraft by interpretation: by translating it back into intellectual clichés, into something we might have found in a psychology manual if not a book of ethics. The staged gesture, in all its originality, is to the playbook what Wagner's music is to it in another direction: it draws out unsuspected expression in another language altogether—a *gestus*, Brecht might have called it, albeit an emblematic one. I believe that this moment puts us on the track of the secret of so-called *Regieoper* (and *Regietheater* no doubt as well): it is to break the work down into pieces of meaning and translate each of them into letters, like a rebus, whose collection of signs then unfolds before us.

The translation can of course fail, or fall flat: and then we have the utterly gratuitous presence of Elisabeth in this orgy. A son? Perhaps hidden from the public? Is she supposed to have had Tannhäuser's child, unbeknownst to the court and perhaps even to the poet himself? Such illicit commerce would make a mockery of the courtly love that serves as the ostensible backdrop for this plot; yet it is true that it could be defended precisely on the grounds of the rebus-aesthetic we have already proposed.

The son does not have to appear in the later sections because he was merely a part of this particular ideogram: later on, other elements will come into play which do not need to recall him, let alone take account of the seemingly scandalous detail in the first place. Clearly Holten means here to embody the theme of domesticity: the opposite of Venusberg sex addiction is to be grasped, not as courtly love, let alone religious devotion, but merely marriage and family, and the 'true love' supposed to be embodied in that institution, at least in the modern Western or individualistic system. Whatever we may think of this quite unWagnerian revision of Wagner's original, decidedly rebellious and Bohemian one—and we find Holten's commitment to this theme of domesticity amplified in his changes to the *Ring*, where the happy ending and Brünnhilde's new-born child may indeed be more biographically Wagnerian and at the same time more questionable—I want to distinguish this kind of modification from what is at work in the staging of the Bacchanal. I want to call this thematics a matter of interpretation, ultimately organized around the symbol, while the embellishments of Frau Venus's establishment fall under the rubric of allegory in its contemporary, or rather postcontemporary, postmodern sense.

The isolated signs of the latter indeed lead a vertical rather than a horizontal existence; and we may conjecture that this documents a more general movement in postmodernity from the symbol to the allegory: the former demanding the transcendental unification of the work, that ideal of the 'concrete universal' underway since Coleridge, while allegory—the postmodern kind, and not that *ancien régime* decoration to which Coleridge and Wordsworth were so allergic—returns to the moment in all its semiotic isolation; spurning the superstitions of modernism's (and Romanticism's) 'grand narratives', which is to say, their absent symbolic unity. This makes for a different kind of reception—or consumption—than that of the architectonic reading, encouraged by the older 'masterworks'. It was already prefigured in the taste for individual tricks and bravura set-pieces we brought to Hitchcock or Buñuel: waiting for the great oneiric flashes or dream-sequences in the latter, for the gratuitous flourishes in the former, such as the tennis match in *Strangers on a Train*, where the public uniformly and obediently swivels its multiple heads from one side to another, with the one sinister exception staring back at you; or the leer of John Dall, fingering the eponymous object in *Rope* between two swings of the kitchen doors.

Aesthetic objections to this kind of allegorical heterogeneity generally turn out to be moral and political ones as well, of an older kind; and they come in left as well as right-wing versions. This is the native terrain of terms like Eurotrash, which substitute for nobler expressions such as *Regieoper* (which its practitioners generally dislike fully as much). These criticisms consist in trading judgements of the gratuitous embellishments or decorations in these productions (and their bad taste) for the more properly postmodern impatience with boring and traditional 'interpretations' of an older, more respectable and more responsible type. There is certainly something to be said for invoking bad taste when it is a question of Konwitschny's staging of *Götterdämmerung*, in the already heterogeneous Stuttgart Ring of 2002: a spoof in which Siegfried, as an adolescent halfwit with a hobby horse, confronts Brünnhilde in the form of a besotted older woman. This was indeed one of the strategic ways in which the dawning cultural studies and *Ideologiekritik* of the 1960s dealt with the canon and the classics: to deflate them and strip them of a cultural prestige often redounding to the power of the nation or the ruling elite. Still, it might have been preferable to make the analysis of the very construction of that prestige and of the transformation of this or that set of works into an influential cultural classic. The cosmopolitan Napoleonic Goethe, suspect indeed to the nationalistic youth movement of the early 19th century, was during this period converted into the national icon we know today. One might argue that the anarchist, anti-social Wagner did it to himself, in his need for money and patrons to build a Bayreuth—about which Nietzsche observed with disgust that, far from recreating the collectivity of Greek tragedy, it simply reunited all the levels of German *Bürgertum*.

Indeed, such an analysis is exactly what Katharina Wagner achieves in her production of *Meistersinger*, referred to above: an articulation of the contradictory political and cultural tendencies latent within the work itself, which is not thereby reinstated in some new and postmodern version of a 'classic', but rather offered as an immense Lacanian *sinthome*, which resonates with all the contradictions of Wagner's age, as well as of our own. What results is less an ideological denunciation of the work than a bringing to the surface of tendencies on both the aesthetic and political levels: Hans Sachs developing into a full-blown Nazi ideologist ('Long live German art!'), while the Walther-Beckmesser feud evolves unexpectedly into a struggle between vulgar avant-gardism and commercial music success, the defeated older painter confronting a crooner

of the American Idol type.² This staging is not, however, to be confused with a modernization of the older type—*Julius Caesar* in the blackshirts of Mussolini. It is the transformation of Wagner's stuffiest classic into an extraordinarily sensitive registering apparatus for all the tremors and vibrations of the age.

So we do not necessarily witness some new 'interpretation' when Holten stages Tannhäuser's awkward return from the unmentionable Venusberg, his mixed reception by old friends and wary fellow Minnesänger, the revival by the reanimated Elisabeth of the old singing contests—all of which culminate in an extraordinary bourgeois cultural evening, with dress clothes and folding chairs, in which the hero, unable to contain himself, blurts out the secret of his deeper knowledge of 'love' and, murmuring an underplayed version of the prize song, knocks the chairs over in his eagerness to take the stage, to the scandalized pandemonium of the distinguished guests and his now hostile colleagues—an uproar suddenly frozen to a painterly tableau of mass gesticulation as he alone hears the renewed strains of the Venusberg music, pardoning and calling to him.

Holten stages the awkward third act in a graveyard, with above-ground mausolea, and gives us the satisfaction of an on-stage death for Elisabeth, whose frantic search in the twilight does convey some sense of the illicit nature of her love for the *poète maudit*. The latter, however, fulfils Holten's programme by reciting the story of his unhappy pilgrimage to Rome, rather than improvising its music: a large notebook testifies to his vocation for writing and is insistently held under the eyes of his last unwilling witness (Walther). So this textualization then suddenly turns into an overall 'interpretation' of the opera after all: is it persuasive, or has most of the energy gone into the wonderful set-pieces?

Absolutes of the Ring

Perhaps the 'interpretation' tells us a little more about Holten's personal thematics, particularly since it casts light backwards on his greatest achievement, the Copenhagen *Ring* itself: the most extraordinary staging since Chéreau's legendary 1976 collaboration with Boulez, on the centennial of the original Bayreuth *Ring*. In the light of *Regicoper*, we might

² I am grateful to Clemens Risi for this interpretation.

be tempted to call Chéreau's a 'realistic' production, at least in the sense in which he took Wagner seriously as a dramatist and staged the characters in truly dramatic interaction and dialogue with one another (along with a few 'postmodern' details *avant la lettre*, such as the Siegfried forest bird—she of the 'forest murmurs'—endowed with a real bird cage).

Indeed, in one of those paradoxical genealogies in which cultural history is so rich, it seems that we may trace *Regieoper* back to that East German cultural production which, in the almost universal obloquy of this state, has until recently been virtually ignored. But the theatrical practice of the GDR, from Brecht to opera, was in far more lineal continuity with Weimar traditions—Klemperer, the Kroll Opera—than that provincial West German culture so memorably encapsulated in Habermas's idea of a *Nachholen* or 'catching up' with modernity. Thus Walter Felsenstein at the Komische Oper, or his associate Joachim Herz, or Ruth Berghaus—although from the hindsight of the postmodern their work may seem better characterized in terms of 'realism'—all contributed to a break with the past and with conventional bourgeois melodrama and opera, that released the later freedoms of *Regieoper*. Indeed many of the older practitioners of these newer innovations were East Germans, or pupils of the first generation of that culture. (I may add that we are only now, with the Leipzig School, beginning to revisit GDR accomplishments in painting; film remains to be adequately assessed.)

I believe that what is here generally termed realism is in fact a commitment to the text and its dramatic content; it is in this sense that Chéreau is, in his way, the logical fulfilment in the West of this development. But it is precisely this attention to the text that opens up the multiplicity of possible versions of the *Ring*—some dozen different productions currently all over the world—and in particular exacerbates that opposition between allegory and interpretation which I touched on above; an opposition clearly nourished by the very multiplicity of forms and genres within the *Ring* itself, as well as the problems and alternatives any new production of this sixteen-hour, four-part work must confront and 'solve'.

Above and beyond the most general decision for drama or for music—an alternative Wagner himself never resolved (Holten following Chéreau in opting for drama)—the score and text offer numerous levels on which priorities demand decisions. In the music itself, of course, harmony

versus counterpoint takes the contemporary form of an opposition between Boulez's transparency and instrumental 'miniaturism', to follow Nietzsche's insight, versus the traditional heroic blare of the great Wagnerian orchestras (no true Wagnerian would want to lose that thrill altogether). The text clearly solicits an option for the archaic and mythological versus the kinds of modernizations we are witnessing here. But it is in the content itself that numerous rich ambiguities are housed, which cannot be so easily dismissed: on the political level, the alternation between the great ruler and individual freedom: on that of the Law, the issue of the runes and marriage laws; on the theological level, the tensions between the gods and Fate, and the matter of foreknowledge or predestination; on the economic level, the existence of gold and the nature of production; on the social one, the clan system, feudalism and modern individualism; on the psychoanalytic level, the split subject, Spinoza's sad passions, love and identity, castration and the will to power; the cosmological vision of earth, air, fire and water, and the place of the traditional, of magic and shapeshifting, of the potion and the spell; on the ethical level, the coexistence of trust, envy and vengeance; and finally, the problem of the End—the end of the gods, end of the demi-gods or heroes, end of the world itself (and how to stage the ending of this opera)?

No staging can be of philosophical interest today without positions taken on all these themes; and the point—and Wagner's originality in the history of opera—is that his work makes such a philosophical focus unavoidable. Nor is this exactly a question of didactic or thesis art; or perhaps Wagner allows us to grasp the deeper content of that more superficial question, which seems to turn on what distracts us from art's 'purely aesthetic' or entertainment (commodity) value. For here the work is staged as an expression of the Absolute, take it or leave it! Wagner—and indeed modernism in general—seeks to renew Hegel's account of that moment (for him, before philosophy) when, after religion, art was the primary vehicle for truth and for a vision of the world. (The end of art, for Hegel, being the moment in which it no longer does this, or rather no longer can do this, and sinks again to the level of the decorative.)

But does this not raise the ominous question of Wagner's own opinions and philosophy, and of the kind of Absolute he wants to foist upon us? Any number of contemporary scholars and authorities convince me that he had only one philosophy or value, and that was getting his own works

written and produced; this does not mean that he was little more than an aesthete or adherent of 'art for art's sake', but rather that the whole world, including politics, society, revolution, history, should turn and revolve around this crucial centre which was the Absolute itself: whence Wagner's personal fascination for several generations. But it is a misunderstanding of ideology to feel that it involves the endorsement of a specific opinion. Ideology is the symptom and expression of the objective contradiction constituted by the historical situation itself. The older forms of staging and interpretation felt a commitment to resolve such contradictions and to transform this or that ideological tension into a coherent world-view; and in hindsight this commitment to coherence also dominated much of what we might call, if not modernism, then at least the modernist approach to Wagner—in theatre, symbolism and modernism being fairly much of a piece with one another.

This conception of interpretation is a very different approach than the contemporary one, for which it is the articulation of contradictions that counts, and the registering of tensions, formal as well as ideological, within the work. For this aesthetic (if we may call it that) it is the struggle over interpretations that is vital, and the bringing to the surface of the contradictory impulses and forces within the text itself. The remarkable resilience of Wagner's works is thus not the consequence of their greatness before posterity, nor even of their relevance to our contemporary political and aesthetic situations (it is always wise to separate these levels, at least in some preliminary way): even less does it reside in the power of his own answers to the various problems they raise. It lies rather in his inveterate staging of these contradictions as problems to be solved, as situations which require solutions and interpretations in the first place. In the production that interests us here, it is the performance of these works as dramas and as texts that are most calculated to heighten and intensify such articulations.

Making new?

Paradoxically, however, the commitment to what might once have been called realism—in Holten, as well as in Chéreau—turns out to be inseparable from what some might take to be the most abominable postmodern liberties and excesses of *Regieoper*. Otherwise, for those who revel in them, it is Holten's liberties one might well wish to celebrate. The Rhinemaidens are, for example, bar girls, and Alberich a

lonely and frustrated drinker. Their malicious flirtation—lost in most traditional versions, including Chéreau's, where it is the 'special effects' of water, swimming and so on that focus our attention—is thereby only too painfully underscored, to the point where we begin by feeling sorry for Alberich. The gold, meanwhile, takes the wholly unexpected form of a naked young man swimming in one of those aquatic bar displays for 'mermaids' familiar in more touristic American watering holes. Alberich's renunciation of love literally rips the heart out of this libidinal symbol, in what is only the first of any number of shattering climaxes, in a bloody act which sex, desire, envy, gold and castration are conjugated at the very centre of this myth of historical destiny. It is to such excesses as this that the mild experiments of modern dress in Shakespeare have led us! Yet the apparent self-indulgence is hardly gratuitous: it articulates the meaning of the Tetralogy—the link between desire and power—in ways only too often obscured by faithfulness to the original Wagnerian instructions. Holten has rather been faithful to the Master's other injunction: *Kinder! Macht Neues!*

There can be no doubt that Holten's more brutal interventions heighten the meaning and the drama of the ring itself, as I will show in a moment. But there is also little doubt that the line between the faithful and the arbitrary or gratuitous is a very fine one indeed, even granting the new postmodern meaning of these words. Perhaps the most perplexing of such novelties is what seems (as in *Tannhäuser*) to be the endowment of the Tetralogy with a kind of informational *écriture*-themed frame: indeed the entire vast series opens in a library in which Brünnhilde seems to be researching the legendary past not only of the curse but presumably of her own lineage; along with the other Valkyries she was conceived during Wotan's 'fact-finding' visit to the mysterious earth goddess Erda, after the loss of the ring. Ideally, this framework ought to underscore everything archaic about the *Vorabend*, the *Rhinegold*, which presumably takes place at least a generation before *Walküre* and brings the ur-races on stage: the gods, giants and dwarves whose struggle for the ring and the god sets the stage for the human drama of the Trilogy and for the working out of Alberich's curse. I am not at all sure that the ingenious archival frame achieves that, for two reasons: the first is that we spend our time wondering exactly when Brünnhilde is doing her research (that is to say, before or after Siegfried). The second problem is that the *Rhinegold* has itself been 'modernized' so that it has already lost its murky and mythic aura.

Meanwhile, the idea of record and information databases, has worked its way into the drama of the 'preliminary evening' itself; where we are treated to a Loge in the form of a shabbily dressed shyster lawyer, dumpy and worried (although clearly, in the light of what follows, we would do well not to underestimate his strategic gifts), who follows his clients around with a little notebook to which he assiduously consigns the relevant details, occasionally augmenting them with some photographic documentation. What is lost in this new interpretation is much of the insolence with which the Loge figure taunts Wotan in more traditional productions, and which motivates his final demotion into real, if magic, fire. Wotan's impatience with his advisor is perhaps overemphasized here when he literally dispatches the hapless aide with his spear—there will be more such gratuitous murders later on—although it is true that Loge never reappears as such, in anthropomorphic form, in the rest of the Tetralogy.

Still, as tiresome as the motif of incessant note-taking becomes, it is also responsible for one of the great master-strokes of this production. In Wagner's original, the Rhinemaidens appeal once again to Wotan as he is making his triumphant entry into Valhalla across the rainbow bridge (Loge has already conveyed their message several times in vain). Needless to say, Wotan is both annoyed and unreceptive. But in Holten's production this final appeal is delivered from an ancient wax cylinder that Loge has brought with him: it is a splendid detail, which transforms the archaism of mythic time into the nostalgia for technological antiques that often characterizes a modern historical consciousness.

As for the non-interpretive high points of this first evening of the music drama, they are breath-taking in their brutality. The whole Copenhagen *Ring* is available on DVD, and I hesitate to spoil the viewers' shock by describing the bloody extraction of the ring itself, or indeed the rather Weimar–Frankenstein atmosphere of Alberich's laboratory, with the senior dwarves in their white coats. But there are nice touches in the confrontation with the giants: an older one and a younger one, labour organizers in hard hats. It is of course the younger one, Fasolt, who prefers Freia to the gold, in what turns out to be a very unwise move on his part. Wotan's entourage is appropriately frivolous, a dying aristocracy. This Wotan—the programme designates him as the 'young Wotan'—will be succeeded in the Trilogy proper by an impressive actor-singer, James Johnson, whose massive self-control and contemptuous irony makes this Wanderer figure in modern dress virtually the central protagonist of

the series, and a very different character from the spear-wielding mythological deity of old. The sarcastic hearing given to the megalomaniac Alberich and the scheming Mime, the repression of his emotion at the defeat by Fricka, the very real bitterness at Brünnhilde's betrayal, the stoic resignation over the failure of the great enterprise itself—all these reactions powerfully enhance Wotan's dramatic centrality and the multiple relationships and possibilities within the text itself.

My favourite scene is the second visit to Erda—a successful career-woman in furs, whether madame or CEO—and now an older lover to whom Wotan, not disinterestedly, pays his respects in the hospital room where she is dying; only to be received with a harsh reproach for the way in which he has treated their daughter. All this is great theatre. Is it modernization exactly? In the past, the new frame required all the detail to be synchronized: thus, in the German *Hamlet* (*The Rest is Silence*, Helmut Käutner, 1959) Claudius becomes a Krupp-type munitions manufacturer and war criminal; the pleasure then lies in seeing how the more unlikely elements get motivated (as, ingeniously, when Ian McKellen as a British-1930s Fascist Richard III is required by the text to call out for a horse). Here, however, the discontinuities of allegory make it possible to enhance the 'realistic' dramatic relationships of each scene on its own, without committing cast and director to a single obligatory framework.

At any rate, in something like the reverse of the doubling of the Wotan figure,³ Sigmund and Siegfried are played by the same tenor, Stig Anderson, who turns in the best performance of Siegfried as a genuinely young man I have ever seen. I will not reveal further moments of the production, save to deplore the happy ending—Holten here again gives rein to his more familial side—and to indulge in a comment on two more memorable postmodern moments. The first has to do with a highly inventive staging of the encounter with the dragon Fafner, who, appropriately enough in this communication-oriented *Ring*, directs his above-ground appearance as a deadly agglomeration of serpentine cables from a computer centre in a kind of man-hole. The encounter is witnessed from a distance by the interested parties—not only Alberich and Mime on the one hand and Wotan on the other, but also by Alberich's

³ John Deathridge informs me that the baritone part assigned Wotan in the *Rhinegold* is pitched somewhat higher than in the rest of the Tetralogy, which would certainly explain the temptation to divide the role between two singers.

teenage son Hagen, in a silent role; a truly suggestive augmentation of Wagner's text.

The older Hagen of the final drama is then appropriately staged as a proto-fascist mafia boss and physical-fitness fanatic (Peter Klaveness), with his paramilitary entourage as sinister as they need to be, replete with kalashnikovs and ski-masks. The temptation to read Nazism back into the decadent Gibichung stronghold is to be sure a familiar one: what is more unusual is the Gunther of this production (Guido Paevatalu), young and physically vigorous, yet obviously weak and suggestible, and prone to military uniforms of the type associated with banana-republic operettas and small-power fascisms; the very type of the titular ruler born to serve as the cover for takeover of the Hagen type. At home, however, we are treated to a twenties atmosphere of the idle rich, gossiping and sipping cocktails. In another stunning intervention, Holten has turned the pallid Gutrune into an extraordinarily seductive vamp (nothing in Wagner forbids it!), while the brother-sister relationship echoes the Wälsungen in everything but the incest. Finally, unlike most traditional productions, the Gunther-simulacrum who fraudulently woos Brünnhilde the second time around is not played by Siegfried wearing the Tarnhelm, but by this rejuvenated Gunther himself, quite different from the humiliated and exhausted older man of the Chéreau production, to which this whole effort is so monumental and worthy a successor. (Nothing authenticates Wagner's dramatic genius so much as the mysterious first words of this simulacrum, describing the event to her in the third person: *Brünnhilde! Ein Freier kam!*—'a suitor is here'.)

Valhalla in Los Angeles

I hope it is not in the worst of taste to observe that another suitor has come; and that Achim Freyer's new—and notorious—Los Angeles *Ring* brings out many of these issues even more vividly in its contrast with the Copenhagen version. More akin to the new special-effects Broadway musicals than to the intensity of off-Broadway theatre, Freyer's *Ring* has been compared, in its monumentality as a spectacle, to the Cirque du Soleil; and perhaps that very kinship with the discontinuous 'numbers' of vaudeville underscores the heterogeneity of those allegorical tricks and stray symbolic details we have occasionally found in Holten. I remember in particular a little accordion wandering about a sky already overcrowded with symbols and finally floating away on the sea that

concluded the *Rhinegold*—and which, according to the director, represented the sea of blood to come. But was this accordion supposed in some way or another to serve as impertinent comment on Wagner's music? I am loath to think so.

Then there was a strange hat-like object floating nearby, sometimes looking like an inverted umbrella, sometimes a satellite dish picking up signals from outer space: until its crenellated border offered the clue—this was indeed Valhalla itself, wandering through the jumble of symbolic objects in some collective unconscious or other; and thereby making impossible that 'triumphant entry' which in other, more traditional productions served as the ominous climax of the stage action. Not only does it seem a pity to sacrifice such dramatic moments, but there are so many of these symbolic details that, unless the director were to provide us a little checklist of their 'meanings' (provided he himself could remember all of them in the first place), any number of the hieroglyphs would remain permanently indecipherable, as the accordion was for me. This does turn the experience of the performance—spectacle into a reading and decipherment of the textualizing kind the 1960s structuralists always claimed everything was, and would appear to embody the status of that discontinuous allegorical being that I discussed earlier, to the detriment of a more modernist kind of interpretation. In that case, in any kind of juxtaposition of Holten and Freyer, would not the latter stand more rightfully as the fulfilment of some postmodern *Regietheater* rather than the more traditionalist and dramatic production of the Danish *Ring*?

Certainly there are splendid inventions in the Los Angeles version. The Valkyries, in particular, are enveloped in extraordinarily large and complex shells which open and close on the singers, and may be said to represent these aerial beings in symbiosis with their steeds—an arrangement which solves some hitherto impossible staging problems, and then recompounds them by showing the Valkyries pedalling away on something like celestial bicycles. But this is only an isolated instance of a far more general interpretive decision on Freyer's part: namely to make of all these beings dual figures, split subjects who exist in the two Sartrean forms of being-for-myself and being-for-others. Thus initially the gods are enormous statuesque figures, which then open up to release smaller anthropomorphic singers onto the central revolving stage. It is a philosophical, but not necessarily a bad, idea: for the gods live eternally in

their static legendary form and yet act out their fateful decision on the smaller temporal realm of dramatic action. Even the humans live this duality out, and I particularly liked the detail of the amphibious Hagen (half dwarf or Nibelung from his father Alberich, half human from his Gibichung mother), to whose human costume is added a shorter pair of dwarf legs, so that he can sit as a Nibelung and stroll about as a human being. But this does get tiresome and does not enhance the menace with which we would expect to have him endowed as we approach the climactic moment of Siegfried's murder.

Meanwhile, a lot of this symbolism simply gets in the way of the performance: I don't mind the Disney-like rubber heads of the Nibelungen, but to have Wotan's features permanently caged by a kind of fencing mask (I finally decided it 'meant' the globe itself), or the Gibichungen swathed in mummy-like gauze, is intolerably to muffle the singers' voices and to interpose some quite unnecessary semiotic accessories between the spectators and the immediacy of the performance. Most unfortunately of all, the symbolic trappings mean, not only that the characters are not immediately related to us, but far more significantly that they cannot relate with any immediacy to each other. No chance of any kissing here, not merely the lumbering and laborious embraces of outsized Wagnerian singers of old; no real sword-fights. In fact, no dramatic interaction of any interest at all between the actors, whose relations only exist in the story-line, in the procession of large symbolic figures that circle the stage of dramatic action in a kind of procession; most effectively when the singers are recounting the frequent Wagnerian recapitulations, which are necessarily more static and have been a constant problem in more traditional productions.

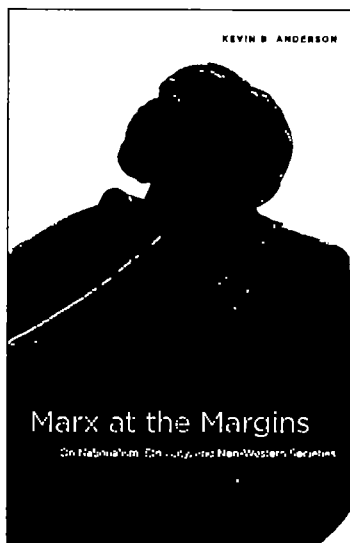
In this way, paradoxically, the Freyer production harkens backward, overleaping the demise of modernism as such, to the once revolutionary modernist innovations of Wieland Wagner, who immediately after the War sought to divest the *Ring* of its 'realistic' content and whatever embarrassment that might present for postwar occupation forces, and to transform it into a static symbolic spectacle, in which the newer forms of lighting fulfilled Appiah's old programme and became themselves the vehicle for the music as such. This was the great moment of Wagnerian (or Bayreuth) modernism, with which the Chéreau centennial production broke some thirty years later. It had of course immense merits and originality, but of it paradoxically Freyer has preserved the light (at some

unimaginably higher level of technology) and the symbolic stasis of the characters, sprinkling all that with a profusion of postmodern decoration. Eurotrash, or *Regieoper*?

I omit the political consequences of the stunning and hotly protested budget overruns of the Los Angeles production: anti-intellectualism on the right or left is as American as violence or apple pie, but it is more productive for the right, which can have no substantive economic programme. I do take the point (suggested to me by Michael Moses) that Freyer, himself ironically a GDR veteran, is an artist and a stage designer rather than a theatrical director, and that as a distant inheritor of Weimar—of expressionism, but also of Chirico, futurism and surrealism—his overblown, essentially visual spectacle becomes rather more interesting. I suppose it also does prove that Los Angeles is a cultural capital (which was to have been demonstrated). I never doubted it, but in the era of globalization, in opera as in everything else, that may no longer be much of an achievement.

MARX and BENJAMIN

NEW FROM CHICAGO



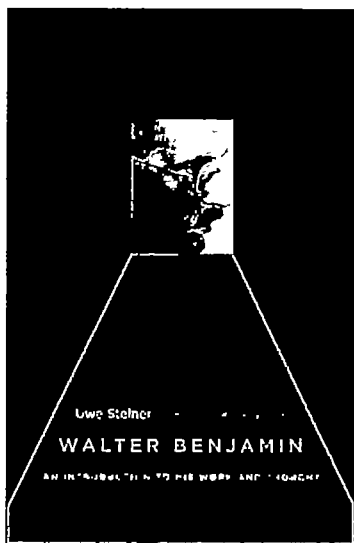
Marx at the Margins

On Nationalism, Ethnicity, and
Non-Western Societies

Kevin B. Anderson

"Marx at the Margins reveals a dimension of Marx that is very little known and even less understood. This is an incredibly innovative, interesting, and terribly important book—one that will greatly benefit anyone interested in ideas."—Bertell Ollman, New York University

PAPER £14.50



Walter Benjamin

An Introduction to His Work
and Thought

Uwe Steiner

Translated by Michael Winkler

"In Walter Benjamin, Steiner has produced a truly outstanding introduction to Benjamin's work; this book is the product of a career spent thinking about Benjamin. Steiner is able not just to open up major works and concepts, but to show, in very short compass, their place in a complex cultural field."—Michael Jennings, Princeton University

CLOTH £22.50



Trade enquiries to: UPM, 0117 9020275
Distributed by John Wiley, 01243 779777

The University of Chicago Press • www.press.uchicago.edu

REVIEWS

Régis Debray, *Le moment fraternité*
Gallimard: Paris 2009, €21, paperback
384 pp, 978 2 07 012462 6

JACOB COLLINS

LINK ARMS!

'Sisters and brothers, indigenous peoples of Bolivia, of Latin America and throughout the world', began President Evo Morales's inaugural address in 2006. 'Today begins a new day for native peoples, in which we seek equality and justice; a new millennium for all peoples. Brothers and sisters, I undertake this commitment here, in this sacred place.' Perhaps it is only fitting that this ringing example of a contemporary fraternal appeal should be drawn from Bolivia, where Régis Debray spent three years in prison in the 1960s in the service of brotherhood with Che Guevara, Castro and the Latin American Revolution. Debray's latest book, *Le moment fraternité*, though not lacking in the deadly sarcasm or contrarian political sensibility that has distinguished so much of his work, sounds an unusually hopeful tone. Fraternity has always been a strong leitmotif of Debray's work, but now it becomes the centrepiece for a positive theory of political and social organization. Life lived exclusively in the first-person singular is damaged life, Debray reminds. But how is the fraternal bond to be reconstituted, in an age in which 'the individual is all, but the "all" no longer means anything'?

Le moment fraternité begins by unpacking the enigma of belonging. The great moments of fraternity depend upon an appeal to something beyond us: fatherland, revolution, classless society. The constitution of an *us* presupposes a unifying absence: 'no visible connection without an invisible beyond, no *inter* without a *supra*. For a *you* and a *me* to form an *us* there needs to be an other'. Debray's term for this 'beyond' is the sacred. It should

perhaps be stressed at the outset that the sacred here is intrinsically man-made: 'it is not the emanation of a *being*, but the product of a *making*'; 'the sacred does not fall from the sky, nor does it pre-exist us—it will disappear when the last *homo sapiens* uses his last watt to cook his last rat'. The first of the book's three sections, 'On the Uses and the Abuses of the Sacred', loosely recapitulates the approach to these questions minted nearly thirty years ago in Debray's magnum opus, *Critique of Political Reason*. Certain conditions are necessary for those acts of sacralization that create an 'us'. A symbolic act or place is helpful: exodus from Egypt, flight to Medina, Thanksgiving, storming the Winter Palace.

If the sacred is to work properly, to demarcate a lasting and stable group identity, it also requires enclosure, a border separating 'us' from 'them'. Antagonism, hatred and fixation on borders are trademark signs of the sacred's vitality, and where these hostilities begin to ebb, so too does the cohesion of the group. In the present televisual age, in which social relations have never been more atomized—laptops, mobile phones and air travel have the paradoxical effect of enlarging the sphere of individual relations on a global scale, while reducing the scope of communal interaction—it seems that the sacred can take its revenge in one of two ways: either it forms an explosive fundamentalist reaction to modernity—irredentist nationalism, millenarian religion—or a vapid simulacrum of religion, such as the West's current dogma of human rights.

This is the subject of the second, and most corrosive, section of *Le moment fraternité*, 'Twilight of a Religion: Human Rights'. Here, Debray argues, the videosphere has found its perfect ideology: a faux religion that demands no responsibilities from its adherents, packaged with a fuzzy catch-all creed from which no one could reasonably dissent. This religion *manqué* works in mellifluous harmony with the reigning economic and political philosophies of the contemporary West to project the image of a serene global village, effectively camouflaging the interests of its principal players. Marx was only mistaken in describing the 'ice-cold water of egotistical calculation', when in fact today, 'finance capital drips with tepid and sugary water, exudes compassion from every pore, while de-localizing the workforce between boom and slump'. The rule of law, *elementum* of the Religion of the Contemporary West, 'tends to neutralize the inequalities of force, profit and influence' secured by the present transatlantic consensus. In contrast to religion proper, this latter-day creed is bereft of historical memory. Its preferred sacred figure, the victim—the harki, the slave, the deportee—is interchangeable, non-specific, ahistorical, a testament to the videosphere's amnesiac perpetual present. The Religion of the Contemporary West has no congregation, no antagonist, commands no strong attachments; it specializes in erasing borders, where the sacred would insist on drawing them.

The point is not, of course, to invalidate the axial value that 'man has value as man', but rather to embed it in the real history of peoples. Debray points out how the sphere of human rights has been inflated, from the modest, national assertions of the 1776 Declaration of Independence, through the more grandiose 1789 Declaration of the Rights of Man and the Citizen, to the globalized 1948 UN version, where the said rights are not just international, but *universal*. The final stage—the declaration of the West's right to humanitarian military intervention—came later, the product of a specific historical conjuncture. The morale of the West had been undermined in the 1960s by its dirty compromises and colonial war crimes; the wretched of the earth had inflicted humiliating military and moral defeats. But in the 1970s, 'Solzhenitsyn and the Vietnamese boat people inverted the axes of good and evil: the villain became the saviour. With the rediscovery of human rights as the remedy for totalitarianism, the happiness of the rich no longer seemed to depend on the misfortune of the poor'. With this came a new international division of labour. Under the new order, 'the Americans do the heavy lifting, we do the blahblah. Their foundations, consultants and experts take charge of globalizing the new faith (and their own sphere of influence with it).' The effect is moral degradation for both sides:

That such an Ubu-esque exercise as the invasion and occupation of a refractory Afghanistan can lead our hallucinating elites—colonizers because colonized themselves—into debates on tactical and technical modalities, shows what our noble sentiments have become capable of: the 21st-century resurrection of a colonial cretinism and moralizing cruelty that leads governments to treat peoples like Lao Tsu's straw dogs.

It is against both military-humanitarian interventionism and its irredentist alternatives that Debray resurrects the forgotten third member of the Republican triptych, as a possible model for mobilization. Fraternity, for Debray, signifies an act of rebellion, a contravention of the natural order for the purpose of forging new bonds of solidarity. True brotherhood transcends the family circle, and rewrites our genetic code by making common cause where there was none before: 'One is not born a brother, one becomes one. Only this strange and unnatural act of *fraternization* can restore the energy and strength to a dull and faded fraternity'. The voluntarism of Debray's fraternity, reminiscent of Renan's formula for the nation—'*un plébiscite de tous les jours*'—ensures that it will never be mistaken for the related, but nevertheless insufficiently activist concepts of friendship and neighbourliness.

The appeal of fraternity lies in its potential to reconnect man to the sacred via secular paths, and to re-anchor group solidarity in a sense of tradition—both severed in the age of 'mediocracy'. In the third section of the book, Debray reaches back across the millennium, tracking the development of fraternity from the radical brotherhoods of mediaeval Christianity, through

the Masonic movements of the eighteenth and nineteenth centuries, up to the revolutions of the twentieth. Common to all these traditions is a repertoire of liturgical practices which ritualize the ethic of fraternity. The festival, the banquet, the oath and the song consecrate its ideals of order, radical equality, discipline and self-sacrifice—'a solidarity of the moment licensed by the chain of generations'. In Debray's positive prescriptions for renewing 'conjunctive tissue', future brothers and sisters will need the patience and self-discipline to re-learn the experience of rites, frontiers, historical consciousness and the humility to 'understand that different worlds exist'. This sounds like hard work, and Debray recognizes that fraternity is a 'difficult, ambiguous virtue': a friendship for hard times, which flourishes in exile, prison, war.

The book's coda recognizes that a 'pleasant bad faith' may lead us to prefer 'peace without struggle, connection without interaction, civic reflexes without historical memory, rights without duties, the vertical without the horizontal'. Fraternity cannot be bought on the cheap. But to fail to embrace it would run an even greater risk, 'leaving us to choose between tribal secessionism, which denies the unity of the species, and the abstraction of Human Rights, which hides the tyranny of profit'. Two categories of social organization are at play within the larger formation of 'the people': *ethnos*, a cultural category, and *demos*, a political one. Debray argues that both have become poisoned within the current world order: 'Islamic fundamentalism, militant Hinduism, Han supremacy are contemporary inflammations of the *ethnos*. A doctrinaire and colonialist democratism, which bombs in the name of emancipation and degrades in the name of education, is the contemporary presumption of the *demos*.' How would a politics of fraternity address these distortions? By bending the stick back the other way:

Future brothers and sisters in Mumbai and Beijing will stress the universality of basic rights. Future brothers and sisters in Paris and New York will remind their fellows that there is a significant ethnic component in their 'ideas without borders'; that the universalism of the new world order conceived in Washington strongly resembles a global village à l'Américaine.

In effect, *Le moment fraternité* braids together three strands that have hitherto occupied discrete spaces within Debray's oeuvre: Durkheimian explorations of the basis of social life; critiques of the ruling ideology; and positive social-political proposals drawn from Third World practice—with glimpses of a fourth: autobiography, as vivid vignettes from Debray's personal experiences in Latin America are casually spliced into the text. The author has, at various points in his career, embodied all three historical manifestations of the intellectual: political, artistic and scientific. The political side is by now well-known. After a series of visits to Latin America as a young communist

militant in the early 60s, Debray was invited to teach at the University of Havana in 1965, on the basis of an article appearing in Sartre's *Les temps modernes* (and soon after, in these pages), 'Castrism: The Long March in Latin America'. Debray was just twenty-five at the time, recently graduated from the *École normale supérieure*. In 1967, not long after *Revolution in the Revolution* hit the shelves, Castro dispatched 'Danton' to Bolivia, where he was to rendez-vous with Che Guevara. There, Debray joined the fateful expedition which culminated in the execution of Che, and his own arrest and imprisonment. Debray served three years of a thirty-year sentence, and convalesced in Chile for a few years, maintaining close ties with Allende, before returning to France for good in 1973. After a brief intermezzo, during which Debray wrote some of his finest works—the demolition job on May 68, 'A Modest Contribution to the Rites and Ceremonies of the Tenth Anniversary'; the profile of the Parisian intelligentsia, *Teachers, Writers, Celebrities*; the *Critique of Political Reason*—he was invited to the Elysée Palace by Mitterrand in 1981, as a putative expert on the Third World.

Debray halted his philosophical work during these years of service, and turned his attention to international politics. The fruit of these labours, *La puissance et les rêves* and *Les empires contre l'europe*, detail, with impressive lucidity, a republican national-defence strategy for France, and mark Debray's transition away from the communism of his youth to the republicanism of his later years. Upon resigning from Mitterrand's government in 1988—'I could no longer see anything socialist or even republican in the general policy followed by my associates', he wrote in his autobiography, *Praised Be Our Lords*—Debray resumed his theoretical work, producing a series of hymns to republicanism, including a bi-centennial polemic, *Que vive la République*, and an inflammatory paean to the General, *Charles de Gaulle: The Futurist of the Nation*. The other theoretical project of the 1990s was in refining a social-scientific system of his own creation, 'mediology', for which Debray enrolled at the Sorbonne; *La vie et mort de l'image* and *Manifestes médiologiques* were, respectively, his *thèse de doctorat* and *habilitation*. Despite his tireless efforts to promote it, mediology was never able to secure an identity sufficiently distinguishable from more established neighbouring disciplines—semiotics, *histoire de mentalités* and media/technology studies—and so never garnered the kind of following he might have hoped for.

Debray's most consistent and enduring performance, however, has been in the role of the writer-philosopher, to which he brings a relentless energy and intelligence, at times reminiscent of Sartre. The temper of his oeuvre swings effortlessly between the Byronic and the ironic; its range is formidable. Adjacent to a chain of literary classics—the intensely confessional, Jansenist autobiographical trilogy, *Le temps d'apprendre à vivre*, not to mention a pair of novels written in the spirit of Malraux and Nizan—one

finds a series of canonical treatises on media and technology, controversial political interventions, revolutionary opuscles, and searching inquiries into the links between the political and the sacred. The influence of Althusser, under whom Debray was apprenticed at the école normale supérieure in the 1960s, is unmistakable in this aspect of his work: the forms in which politics is manifest—ideological, for Althusser; social-sacral, for Debray—are pan-historical. This static pattern of social forms is then complemented by a cumulative history of the material artefacts of transmission. Here, Debray's purpose is to study and trace the mediations through which an idea becomes a material force, to apprehend the logic of symbolic circulation.

Thus, included in the purview of 'mediology' are not just the obvious means of intellectual diffusion—press, radio, cinema, etc.—but also the more penumbral objects in this field—inkpots, cafés, dinner tables, etc.—no less admissible as 'vectors of sensibility' and 'matrices of sociability' as he puts it in the *Cours de médiologie générale*. Perhaps the greatest monument to this enterprise is Debray's own *Teachers, Writers, Celebrities*, a work which unveils and anatomizes, with a blistering critical momentum, the machinery of symbolic exchange within the Parisian intelligentsia. *Grosso modo*, the tone of Debray's mediological works is typically elegiac: the menacing ascendancy of the audio-visual—the videosphere—presages a world of symbolic immiseration—privatized, atomized, apolitical.

Combined, these two sides of Debray's system present an original critical model in which the history of technology is inextricably bound up with the fluctuations of the political. Three successive ages take shape around their principal mode of intellectual production: the logosphere, graphosphere and videosphere, each matched with a corresponding ideal social and political formation. The logosphere represents the sovereignty of the written, a theological age in which the text is sacred; absolutism is the hallmark of its political imaginary. The age of the graphosphere heralds the regime of the 'many'—nation, people, state as the political forms—and the relocation of knowledge and authority from the priest to the intellectual; parties and newspapers form the crucial link between vanguard and people. The year 1968 marked the victory of the videosphere, the moment at which France surrendered its republican patrimony to embrace the ceaseless flux of the tele-visual regime. Readers became viewers, lured from the public sphere to the privacy of the home, and it was only a matter of time before politics itself became a tawdry media event.

Le moment fraternité could be seen as an attempt to rethink a graphosphere category, brotherhood, within the political parameters of the late-videosphere. With characteristic lucidity and brio, it revives the very same figure that the French Socialist Party has forsaken in its relentless drive to fine-tune its electoral machinery: the militant, the one who, as Debray wrote in *Critique*

of *Political Reason*, 'stands out for his exceptional failure to adapt'. For those who have once shared the bond of fraternity, what could be worse 'than winning elections and finding one another holed up in the same palace'? How does Debray's ideal of fraternity hold up under closer scrutiny? Indeed, how literally do we take the injunction to fraternize, and what are the conditions and limits of its realization? On one level, Debray's defence of radical fraternity might be seen, analogous to Badiou's identification with Saint Paul, as 'the search for a new militant figure', and thus as a theoretical provocation meant to disturb the tranquil waters of contemporary philosophy. Yet, on another level, the text is unambiguous as a call for mobilization. If the 'cold' societies of the West—'post-national, post-tragic, post-historical'—are to avoid sliding into greater immiseration on the symbolic plane, and even bloodier barbarism on the international scale, they will have to learn fraternity from the world's 'hot' societies, or even from their own 'hot' districts: Chicago's Southside or the Parisian *banlieue*.

There is an obvious problem with posing the 'Religion of the Contemporary West' and peripheral irredentism as commensurate structures of power—as if one did not represent 80 per cent of the world's wealth, and 90 per cent of its arms, if only 20 per cent of its population; while the others are, by definition, politically and economically marginal. The balance of the book itself, with its powerful central section on human-rightsism, is more proportionate than the bare-bones argument, however. Here *Le moment fraternité* delivers a powerful and systematic critique of the creed professed by the new global order. Debray joins company with Alain Badiou and Marcel Gauchet in denouncing it as a force of depoliticization, and as a substitute for real political community. Years of service as an advisor to princes have lent a sharp political sensibility to his writing, to which *Le moment fraternité*, in its attention to the asymmetries of global power dynamics, is no exception. It reminds us, as all of Debray's work does, that the world is not finished with sectarian violence or the nation-state, no matter how much the *bien-pensant* current of European thought would insist otherwise.

Perhaps Debray is right to suppose that the *credere* of religion and nationalism cements stronger bonds than the interest of economic, class-based ties; but the latter is at least more predictable than the former. A virtue of Debray's call to fraternity is to have returned the actor to a structural field of analysis which seems to preclude him, to have harmonized a theoretical pessimism of the intellect with a practical optimism of the will. But what is to ensure the efficacy and success of the actor's reappropriation of the sacred? Can we expect the bonds of fraternity to help undo the scaffolding of a totalizing political, cultural and economic structure, to achieve something concrete, or is fraternity rather an end in itself, its eventuation marking a kind of transvaluation of all values? The second option seems too much

to expect, or at least too distant on the horizon, while the first raises some immediate questions about the relationship between the organizational form of fraternity and the mission it takes as its foundational basis, or about the fraternal unit's relationship to other organizational forms (the party for example). If Debray's prior work can be taken as a reliable indicator of his theoretical method—ideas are typically refined over the course of successive works—we are likely to see at least a few follow-ups. The 'beyonds' to which such imagined fraternities might pledge their faith remain, of course, to be determined.

Concepts of Nature

A Chinese-European Cross-Cultural Perspective

Edited by Hans Ulrich Vogel and Günter Dux,
with an overview and introduction by Mark Elvin



BRILL



- July 2010
- ISBN 978 90 04 18526 5
- Hardback (575 pp.)
- List price EUR 170.-
/ US\$ 241.-
- Conceptual History and
Chinese Linguistics, 1

For more information please visit brill.nl/chcl

Terry Eagleton, *Trouble with Strangers: A Study of Ethics*
 Wiley-Blackwell: Oxford 2009, £18.99, paperback
 347 pp, 978 1 4051 8572 1

Terry Eagleton, *Reason, Faith, and Revolution: Reflections on the God Debate*
 Yale: New Haven 2009, £18.99, hardback
 200 pp, 978 0 3001 5179 4

GREGOR MCLENNAN

MR LOVE AND JUSTICE

Twenty-first century Eagleton at times resembles the Dionysian persona he presented in *Holy Terror*, published in 2005, as the very embodiment of the Lacanian Real—excessive, sulphurous, unstaunchable. Revelling in the further release from polite dialogue that his ‘theological turn’ appears to bestow, the author of *Reason, Faith, and Revolution* plays Hamlet (a favourite Realist) to the Rosencrantz and Guildenstern of thin-blooded rationalism (‘Ditchkins’ for short). Momentarily indulging their seeming fellow-feeling, Eagleton ruthlessly exposes the nastiness beneath, resolving on final damage. He first mauled *The God Delusion* in a review entitled ‘Lunging, Flailing, Mis-punching’, but you would rather avoid Eagleton’s haymakers than Dawkins’s fisticuffs. The recent writings overlap heavily, such that *Trouble with Strangers* might be thought only to aggregate themes from the two books mentioned, plus those from two better ones—the bristlingly insightful *Sweet Violence* (2003), and the satisfyingly armchaired *Meaning of Life* (2007). But more than the compilation effect, it is the internal agonistics of *Trouble with Strangers* that makes it both thoroughly absorbing and uneven in every sense. Organized by core Lacanian notions, which it clinically deconstructs, and alternating considered assessment with blasts of non-negotiable ‘Christian’ declaration, *Strangers* yields an amalgam that seems destined—perhaps designed—not to set. For all his formidable assuredness, Eagleton’s

reflections on the loops that bind metaphysics, ethics, religion and politics are still very much in process.

In process, but not exactly in progress. The 'ethics of socialism', specified in the preface as one of the two main sources and goals of the enquiry, occupies only a handful of cursory sentences, some of them questionable—is socialism really about 'solidarity with failure', for example? The intention may be there, but it cannot be developed until Eagleton's particular version of post-secularism—he does not use this term—has been talked out. According to this, a certain kind of secularist Marxism has gone, leaving us with two completely gutless alternatives: liberal rationalism and culturalist postmodernism. This spells good news for global capitalism, which rapaciously both promotes and devours such untroubling sensibilities. Progressive politics must therefore be re-imagined in the shape of a truly redemptive radicalism, its prerequisite energy stemming chiefly from the Christian preparedness for loving collective and subjective transfiguration. In order to access this last hope and opportunity, we need to see, unflinchingly, that there is nothing essentially progressive or self-sufficient about human society; that just as *recto* stands to *verso*, so virtuous sociability surfaces a void of disappointment, lack and despair. Insofar as socialist thought remains in thrall to cerebral universalism, it cannot entertain so dire a predicament from which to re-build. So Eagleton explores instead the promise of distributing moral philosophies into the psychoanalytic categories of the Imaginary, the Symbolic and the Real.

Just heuristically, this is an illuminating strategy, Eagleton helpfully uncoiling that esoteric trinity in 'characteristically lucid' style (a phrase that, bafflingly, he twice uses to describe Lacan himself). The machinery swings into gear with an account of eighteenth-century doctrines of sentiment and sympathy, interspersed—as the other parts are—with snapshot variations effortlessly drawn from the literary figures of the time; here, the likes of Sterne, Steele, Goldsmith, Richardson. The Imaginary refers to the moment of the 'mirror phase', in which, supposedly, the infant comes hazily to consciousness, sensing that its own image, whilst remaining unthought, in-here, and still-as-one with the Mother, is also magically reproduced and recognized 'out there'. Signifier and signified, self and world, are not yet traumatically prised apart according to the abstract demands of the Symbolic, through which subjectivities come into definition vis-à-vis the impersonal Other—society, language, thought systems, law.

In this light, Eagleton locates Francis Hutcheson's good-hearted ethics, which required little more than a generous appreciation of our spontaneous divination of good and bad; our possession of an inner, upper moral 'sense', different in quality, but hardly in kind, from seeing and smelling. Also to be found in this meditative 'comfort zone' is David Hume's rigorous refusal to

ground morality (as well as knowledge) in anything but sense impressions and the more or less vivacious ideas that derive from them. Our learned association of self-interest and companionate concern, for Eagleton's Hume, should be sufficient to glue the benevolent society together. Adam Smith's concepts took him beyond his predecessors' insistence on the immediacy of the moral sentiments. Smithian sympathy involves partial rather than complete identification with the passions of others, across a wider range of subjective states, and his 'imagination' incorporates the circumstances of judgement as well as in-your-shoes empathy. Nevertheless, Smith too holds that ethics is basically a matter of 'emotional transaction'. (Edmund Burke is then said to extend this problematic to politics, hegemony being achieved through 'imitation and mutual compliance, not precepts'.)

Eagleton accepts that these thinkers were the first to develop a stringently social account of morality, and he knows too that the cloying sentimentalists—especially amongst the Scribblers—must be set apart from the larger Imaginary minds. But even the best of them are only 'bloodlessly admirable', because in the last instance they are 'drearily bourgeois'. Their natural habitat is the coffee house and gentleman's club, a mutual admiration society in which what is most keenly felt is the need to feel. Such 'parochial emotionalism' cannot handle the messiness and opacity of the human body, nor its underlying *telos* as 'self-transcending project'. In any case, 'morality is a matter of what you do, not what you feel', such that even considerate sympathy 'has no value in itself'. Contrary to the approbatory warmings of the Georgian philosophical breast, genuine, political love—*agape*, revolutionary solidarity—is 'unpleasant, exacting, thankless and ultimately lethal'. It is the distasteful state and plight of the stranger and outcast that constitute the scene of truly moral action, not familiar situations and persons who happen to be friends.

Under the 'sovereignty' of the Symbolic, the 'insistence' of the Imaginary is held at bay, and 'the closed sphere of the ego' opens out into the field of regulated moral inter-subjectivity. It is the job of symbolic thought to endow normative interaction with objectivity and legitimacy, setting its roles and reactions within some universal conditions of possibility and difference. Just about any 'modern' theory could be made to fit this bill, and liberalism and utilitarianism are named as major ethical variants; but Eagleton settles on Spinoza and Kant as the quintessential expressions. Then, with striking acuity, *Measure for Measure* is presented as an escalating set of dilemmas in which the valences of the Symbolic are fatally disturbed by the relentless undertow of the Real. This is because—to generalize across the work—the emancipation and distance that are indeed enabled by the Symbolic order, so that we leave behind Imaginary forms of the 'addiction to desire', are themselves conditional upon the repression of sentience, fantasy

and dependency. The Symbolic thus entails a profound estrangement of self, a 'gash in our being', a mortal contradiction between settled projects and untrammelled desire-for-itself.

Spinoza, Eagleton explains, is 'the great exponent of rationalist disenchantment'. He positioned men and women unambiguously as part of nature, subject to forces they cannot understand, their sense of freedom illusory, their purposes and consolations finding no confirmation in the grandly 'externalist' scheme of things. Whether by way of anthropomorphic projection or by appeal to the will of God, the desperate human concern with values, whilst true to the necessity of our being (self-preserving, self-confirming), misrecognizes the character of being as a whole. To be sure, the point of view of the whole is strictly unattainable, but for Spinoza it can at least be approached through consistent 'geometric' reasoning, detaching constantly from the myopia of experience, arriving thereby at a lofty proposition: that the totality of nature's necessity and the mind of God are one. In this understanding, we become virtuous by rising above the claims of emotional and physical egoism, our tainted moralism overcome by the love of intellect and the nurturing, in a commonwealth of equals, of generous neo-Stoical appreciation.

Kant, however, cannot subscribe to such a speculative dialectic and once again splits nature and morality apart, our essential freedom reassigned to the latter, our bodily appetites to the former. *Contra* the empiricists, duty and will for Kant take absolute priority, the residual pull of natural inclination kept firmly in its (non-moral) place. Eagleton praises Kant's bold removal of value-relevance from the clasp of personal and physical wants, but the German's 'cardinal error' is to rule out the possibility that we possess natural moral dispositions, capable of cultivation through ethical habit and example. Aquinas's doctrine of will—and Aristotelianism generally—make no such mistake, allowing us to overturn Kant's austere edict that the Moral Law requires complete withdrawal from material commitment to particular others. His sense of unconditional obligation, like his reverence for law itself, is admirable, but the bleached-out axiomatics of the categorical imperative can only prove compelling to 'anally-fixated petty bourgeois of every epoch'. The remedy is to re-endow moral commitment with substantive content, the unstinting 'service to others' that is sustained through unlimited love of the God who quite gratuitously loves us back.

The 'reign of the Real' takes more exploration and exemplification than the 'sovereignty of the Symbolic', partly due to its unavoidable obscurity, and partly to Eagleton's patently greater interest in it. Out of sympathy with sympathy, he seemed especially keen not to dally with the philosophical low-life of the Imaginary. But this attitude has its costs, Eagleton's raid on Smith in particular bordering on the unscholarly. Named in the title of a chapter,

but allotted only a few brief pages, examination of the political economist's explanatory reflections on morals—he was not proposing normative guidelines, primarily—proceeds without a single mention of their conceptual centrepiece, the 'impartial spectator'. Yet it is through this discursive figure that Smith provides precisely the sort of ethical quality check that Eagleton thinks is missing. Through repeat visits to the impartial spectator—who, like our therapist, is far from omniscient—we achieve just enough reflective distance from our own self-images to improve our judgements of others in their situation. This interesting sketch of how we do morality clearly breaches the confines of the Imaginary as Eagleton presents it.

The Real for its part refers, supposedly, to 'the subject that is more than the subject'; that which 'is most permanently awry with us, and is most truly of our essence'. The Real is the truth that cannot be totalized, the desire that cannot be satisfied, the drive that continues to desire despite our intuition that no particular object of desire will bring satisfaction. The Real therefore signals a convoluted, ardent longing that lies beyond any set of principles and all reasoned exchange. In such upturned terrain, the courage to confront and cope with the demands of the Real, for Eagleton—or at least the part of Eagleton that is trying to think with Lacan—constitutes the ethical *par excellence*. To act well in the shadow of dread and death; to grasp that no commitment to particular attractions, however elevated, will ever be enough; yet to do what one can, in some unwavering way; this is morals beyond the reach of the merely good, and therefore something potentially redemptive. We submit to our destiny—the impossibility of specific fulfilment—but we carry on regardless, and in so doing, touch upon transcendence. That the Real conceived along these lines is a slippery, tension-ridden syndrome is plain, with some doubt persisting as to whether ethical integrity is supposed to lie in and through the Real itself, regarded as a brutal, erotic, sublime wrecking of any codification and stability, or whether it is about living in uncomfortable awareness of the uncontrollable, and still trying somehow to cope.

Taking us through some good and bad surpassings of the Good, Eagleton finds Schopenhauer's implacable Will to be an impostor, its menace dissolved in a final scene in which destructive desire is serenely suspended, marking a retreat back into the aesthetic consolations of the Imaginary; something that was said of Spinoza too. Kierkegaard's bracing depiction of a subjecthood in cold pursuit of uncompromising authenticity, incommensurable with everything in the world and intolerant of mere existence, is judged too adolescent and anti-social (and he just doesn't *get* Christianity). Nietzsche scores better, his interlinked hatred of humanism and religion depicted not as a prelude to tyrannical misanthropy, but rather as a paean to species-enhancing dauntlessness and affirmation—if far too aristocratic, of course. The travails of the great fictional characters are once again brought to bear on the disquisition:

we enter the vortices of the unrepresentable in the company of Shylock, Ahab, Heathcliff, Wordsworth's exiles and Conrad's men, confirming that the Real sets the 'unthinkable limits' against which we must hurl our petty local values. Unliveable in itself, the Real nevertheless 'releases an uncanny power to inaugurate a new human order'.

But the striking of that gavel of the Symbolic, 'Order', indicates that despite following the Lacanian sequence for presentational purposes, no normative linearity is intended. The Real cannot be the last word, ethically speaking. The reader has to be tolerant here, because it was on account of their egregious neglect of the Real that Eagleton clubbed the advocates of the Imaginary and sought to relax the uptight Symbolics. But the Lacanian Real must now take a hit too, not least because, whatever truth it contains, Christianity got there first. So, if Lacan catches much of what churns us up in the 'tragic sense of life', his ethics of heroic failure finds no place for 'anything as commonplace as human needs, appetites and interests', or any role for loving faith in its amelioration. Eagleton still cannot quite bring himself to resist such nostrums as 'unconditional fidelity to the law of one's own being', and 'never give up on one's desire'. But he should, because while no doubt ethically relevant, there is nothing intrinsically moral about them. One wonders, for example, what guidance they could bring to Tiger Woods in his moment of Real crisis, beyond inciting his sense of alpha-male specialness.

The liberal use of Lacanian terminology throughout the book is contestable more broadly. Eagleton continually translates specifically psychoanalytic propositions and assumptions into more familiar features of, and attitudes to, the human condition. As in:

Whenever we stumble . . . across a desire that starkly isolates a protagonist; renders him or her strange to themselves; expresses an ineluctable inner need; manifests an adamant refusal to compromise; invests itself in an object more precious than life itself; maroons a character between life and death, and finally bears him or her inexorably to the grave, we can be reasonably sure that we are in the presence of the Real.

The problem with this passage is not its hammy conclusion, which deliciously echoes the words of John Wayne's awed Roman centurion at the scene of the Crucifixion in *The Greatest Story Ever Told* ('Truly this man was the son of God'). Rather, it is over-inclusive, exhibiting the sort of indiscriminateness that Eagleton is often quick to upbraid. There is after all a pressing theoretical verdict to reach here. Provocatively: either—especially for a 'scientific' theory—Lacan's schemas are quite extraordinarily metaphorical, opaque and optional, in spite of their near-obligatory status in the current mode of critical thinking; or our every sensed moment of isolation, jolt by

inner needs, slippage into obsession, and bull-headed passage back to the soil from whence we came should be rigorously tied in to the fading prospect of maternal re-possession.

A more inclusively envisioned Lacan, however, also comes in for rough treatment, by proxy, when Eagleton turns to examine how intimations of the Real shape the work of three other theorists revered in some sections of the 'cultural left': Levinas, Badiou, Derrida. Eagleton's engagement with the first two is especially impressive, and severe, with the ethico-religious reflections of the third given shorter shrift, brushed off as an 'extended footnote to Levinas'.

Eagleton, we should re-emphasize, weighed in against the luminaries of the Imaginary in terms reminiscent of Levinas himself: it is not our friend who deserves our moral devotion, but the stranger and outcast, someone we do not have to like at all. But this only makes our effort on his behalf the more constant and total. Yet when he comes face-to-face with the sombre author of *Totality and Infinity*, Eagleton soon takes his distance, accusing Levinas of wheeling in the wrong aspect of the Symbolic in support of an ethics of the Real. In an abstractionist move that Eagleton thinks resembles Kant's, Levinas portrays our primal confrontation with the plight of the Other as devoid of personal and social specificity. Although it is the very face of the Other for which we are supposed to lay down our lives, the object of this unqualified self-giving, in the situation of unmediated co-presence, becomes a 'troublingly eternal' figure, someone mysteriously 'denuded of all definitive cultural markers'. For Eagleton, such featurelessness only renders Levinas's categorical imperative—'Be infinitely responsible!'—portentously empty. Against his 'curious out-abnegating' game, one in which 'I am always more responsible than they are', it is insisted that concrete reciprocity matters, that we cannot be infinitely hospitable to otherness. In the properly mundane context of ethical action, we are necessarily also locked into considerations of identity and sameness. All the more important, then, that justice strives towards what Derrida and Levinas say cannot even be contemplated: principled fairness in its 'comparison of the incomparable'.

The shining idea in Alain Badiou's view of ethics is subjective fidelity to the unique truth of an 'Event'. Badiou's point is not that we entertain the significance and value of an Event's occurrence in the light of some wider contextual canvass that alone makes sense of it. That would be the kind of reasoning—Symbolic thinking, of course—that, along with his French *confrères*, Badiou finds both inadequate and pusillanimous. In Badiou's alternative ontology, Events cannot be calibrated with the 'situations' that they puncture because they are not knowable generalities, or markers of emergent processes within a single stable world; rather they are singular irruptions that constitute and reconstitute worlds. The ethical purport of

Events is not decidable as such, either according to pre-existing reference points, or by dint of some postulated externality. Events confront and determine us, our ethical and epistemological subjectivity formed and defined in anticipatory commitment to their force.

Eagleton expresses unease about a concept of truth that is so notably more performative than propositional. It is a pity that this issue is addressed in shorthand only, because it is key to any prospect of *rapprochement* between 'analytical' and 'continental' philosophy. But Eagleton has other important things to query: Badiou's Platonic disdain for all naturalism and creatureliness; his axiomatic rather than deliberative understanding of the work of ideas; the *canard* that all heterodoxy is to be applauded just as all truth is oppositional; the elitist proclamation that ethics begins only with unre-served fidelity to the truth of an Event; and the related 'scathing dismissal' of everyday estimations of right and wrong. One could probably quibble with some of this, and Badiou has at least returned to philosophical universalism its proper grandeur, tasking us to leap beyond the apologetics of identity-politics. Indeed, Badiou's recent *Logics of Worlds* markedly tones down the ethical and explanatory exceptionalism that Eagleton questions. But Eagleton holds steadfast to his purpose, extending the argument by drawing out the affinities between the French post-structuralists and the tradition of *Kulturkritik*. Though 'richly resourceful', both currents are 'politically disastrous', the visions of 'tragic inhumanity' and 'irrational absurdity' in someone like George Steiner convergent with the Lacanians' contempt for the ordinary. If their conjoint 'exultation in intensity' helps for intuiting such things as the fearsome inexplicability of evil, the case against worldly Symbolic ethics, duly considered, is 'remarkably feeble'. Overall, Eagleton's engagement with the *doyens* of the Real is a commanding episode of cultural-materialist appraisal.

What about Eagleton's putative synthesis between the three Lacanian modes, and especially the role of Christian faith in that project? This turns out to be drastically ambiguous, as I read it. One relatively low-key story of reintegration starts with the observation, registered above, that although the repressed, the exhilarating and the terrifying form the context and limits of morality, the Real cannot yield a workable or caring ethics. Its profound but unhinged insight must be rolled back, without apology, into solid appreciation of the 'banality of goodness', commitment to which is shared by Christianity and socialism. The quest for 'transformed humanity', therefore, involves nothing much, necessarily, beyond vigorous prosecution of the mundane struggles of 'actually existing men and women'. Morality is still demanding; it has to be militant; and it involves due reverence for exemplary sacrificial martyrdom—whether that of Christ or the 'guerrilla fighters'. Yet we are not obliged, precisely, to become martyrs ourselves just

for the sake of it, or to forsake our genuine nearside attachments. In the appropriate culture of the virtuous society, we can become progressively better at being human, to the point where goodness is almost spontaneous. Law would remain the proper scaffold of this mutualist form of life, but it stays in the background as associationist institutions come to the fore. We are not talking here about staunch republican responsibility, however commendable, because allegiance to the prospect of reciprocal fulfilment and collective self-realization is the dictate of love. Eagleton imagines some radical philosophers being suspicious of the altruistic overspill in this solution, preferring stern justice; others will want to push ethics to the maximum. But for him, politics and ethics, love and justice, are inseparable. On this reading, Christianity, though irreducible in its way, is best taken as an exemplary expression of more encompassing humanist values.

However, an altogether higher-octane rumour is also in circulation. According to this, even egalitarian virtue ethics is too 'gentrified', and the ethics of love is decidedly surplus to all normal requirements. Moreover, the move towards psycho-social replenishment can never be secure, because the 'disfiguring Real at the core of identity' cannot be extinguished. The Real, in fact, forms a duality, simultaneously cursed and sacred. The Christian mission is part of the Real, and not just its appreciative corrective, because God's intense personal love, which somehow carries the impersonal force of law, is both absolutely necessary and yet also impossible. The ethical ordeal is thus to pull the Good Real away from the brink of the Lacanian danger zone in the mad trust that 'love is stronger than death'; and everyone enlisted in that cause must be prepared to be done to death, because our relentless labour on behalf of the poor and the scapegoat can expect nothing less in this world. If this feels tough, the radiant knowledge that the proper object of desire, God, is also its singular source, allows us to rejoice in the infinity of Christian charity and to swim in 'the *jouissance* of eternal life'.

These are two very different takes on the relationship between religion and ethics, awkwardly tangled right to the end. On the first account, there is 'no conflict between immanence and transcendence, as there is for the Realists', but the cranked-up version says exactly the opposite. Eagleton adds to the confusion when, in closing, he plays a bizarre get-out card: nothing in his study, he states, depends upon the truth of either psychoanalysis or Christianity. Having just heard about the inextinguishability of the Real within Christian ethical identity itself, and having endured some florid homilies to the effect that the Creation, 'as pure, unmotivated gift and grace has absolutely no point beyond God's supreme self-delight', this admission cannot but strike a note of self-serving casuistry. Actually, we should not be surprised, because the same conundrums emerged from Eagleton's encounter with Dawkins and Hitchens. On the one hand, the

latter were comprehensively lambasted for being ignorant about theology and unaware of the subtlety of its practitioners. The critics' sneering at perfectly well-intentioned, not-stupid religious people was found despicable, and directly attributed to their tediously safe middle-class *habitus*. And their baseline contrast between mystified religion and rational progressivism was grotesquely overdrawn, firstly because 'non-rational' (but not thereby unreasonable) elements cannot be eliminated from any of our theoretical schemes, and secondly because 'many secular myths are deguttled versions of sacred ones'.

All well said, let's agree. On the other hand, Eagleton's riposte implies nothing whatever concerning the truth of Christianity, or God as our moral source, or even His very existence. Indeed, Eagleton confesses, again somewhat alarmingly, that when it comes to the indefensible side of religious thinking, 'the bellicose ravings of Ditchkins are, if anything, too muted'. So the default position is that Christian theology, even if it 'may well be false', still certainly 'deserves respect', not least because it 'may still serve as an allegory of our political and historical condition'. Sensing perhaps that a defence of religion *qua* allegory might impress its enemies more than its supporters, Eagleton seeks out some further metaphysical content, if not a literal truth, that could be said to be distinctive of his faith. To that end, he extends the 'negative' critique of the rationalists: their blunder is to treat religion as a type of (failed) explanation of what exists in the world and what we are doing here, when really it is nothing of the sort. Through a series of adventurous similes—there are eight of them in five pages of *Reason, Faith, and Revolution*—the absurdity of this mis-identification is exposed. In one comparison, to fancy that religion is a (second-rate) description of the world 'is like seeing ballet as a botched attempt to run for a bus'. In another, to depict Christianity as a system 'whose participants avow belief in a supernatural agent or agents, whose approval is to be sought' is rather like 'beginning a history of the potato by defining it as a rare species of rattlesnake'.

There is no accounting for literary taste, perhaps, but for me these tropes are strained; and symptomatic of a larger problem. This resides in the fact that whereas his treatment of the philosophers of the Real abounds with shrewd and stepwise argumentation, in which debilitating contradictions are quickly spotted, Eagleton's conceptual rigour is granted leave of absence when it comes to what it is that God's being consists in. We are asked to mark Ditchkins's bone-headed misunderstanding—one that happens to be shared, of course, by many sincere religious people—that believers imagine God to be a 'mega-manufacturer', and a pushy 'Nobodaddy', all curiously moulded in human form. Then we are given the ostensibly superior conception: God is what sustains all things in being with his love, and the reason that there is something rather than nothing; God is an artist, conjuring up the world for

no particular purpose, demanding nothing from us other than that he should be allowed to love us in all our moral squalor. The presumption seems to be that the better articulation, in which God trades his toolbox for a palette in order to paint himself into the misty background, puts an end to the whole ridiculous God 'debate'. But of course it does nothing of the kind. Not only does the constitution of His universe, however aesthetically motivated, have to be materially explicable in terms of His actual causal powers; His demand that we allow Him to love the miserable likes of us, as well as the love itself, are just as anthropomorphically interventionist and guilt-tripping as in the defective scenario. The whole discussion, moreover, rests on what is becoming an uncritical dogma in contemporary post-secularism: that recurrent metaphysical puzzlement signals the timeless irrepressibility and primacy of religion rather than our continuous cognitive and imaginative activity, of which religion is but one (variable) expression.

It is sometimes remarked that with Eagleton's latest 'coming out' he is merely returning to his original youthful inspiration in liberation theology. This is not quite right. Not only has his thinking and politics stretched here, consolidated there, in the course of his ascent to theoretical pre-eminence; Eagleton has also evolved a more varied set of aesthetic resources and intellectual responses. The current post-secular wave, for its part, constitutes a notable shift of context, one that demands fresh articulations of the philosophical ideas of the left. It is a situation that cannot properly be summated by counterposing one static slogan (God is Back) against another (God is Dead). And if claims about the existence, nature and influence of particular deities remain thoroughly implausible, conventional humanism/materialism seems unable to fuel the kind of emotional and political energies that religious belief and even 'belief in belief' are held uniquely to generate. In his inimitable way, Eagleton is helping to develop this intriguing scene, and further framings of his thought are keenly anticipated. Meanwhile, the present authorized version is dogged with some intractable difficulties.

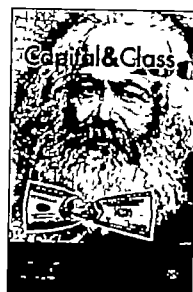
New to SAGE In 2010!

Capital & Class

Managing Editor: **Owen Worth**
University of Limerick, Republic of Ireland

Reviews Editor: **Adam David Morton**
Nottingham University, UK

Published In association with Conference of
Socialist Economists



Since 1977 Capital & Class has been the main Independent source for a Marxist critique of global capitalism. Pioneering key debates on value theory, domestic labour, and the state, it reaches out into the labour, trade union, anti-racist, feminist, environmentalist and other radical movements. It analyses the important political, economic and social developments of our time and applies a materialist framework unconstrained by divisions into economics, politics, sociology or history.

Subscribe today and become a member of the CSE!

Individual subscribers to Capital & Class become members of the Conference of Socialist Economists with the right to vote at the AGM, elect members to the executive committee and editorial board, and influence policy. Members are encouraged to set up CSE local groups and participate in and initiate discussions and debates about both theoretical understanding and practical action.

Free online sample copy available!
<http://cnc.sagepub.com>

Quarterly, March, June, September, December
ISSN: 0306-4220

Membership Services +44 (0)20 7324 8500 Email membership@sagepub.co.uk

 **SAGE**

www.sagepublications.com

Michel Foucault, *Le gouvernement de soi et des autres, Cours au Collège de France, 1982–1983*

Gallimard/Seuil: Paris 2008, €27, paper

382 pp, 978 2 02 065869 0

Michel Foucault, *Le courage de la vérité: Le gouvernement de soi et des autres II, Cours au Collège de France, 1983–1984*

Gallimard/Seuil: Paris 2009, €27, paper

351 pp, 978 2 02 065870 6

MICHAEL HARDT

MILITANT LIFE

It is ironic that Foucault had to go all the way to ancient Greece to grapple with contemporary political problems. Only at that distance, it seems, could he see clearly, like the farsighted reader who holds the page at arm's length to focus. Arguably, Greek thought provided not only a temporal remove from the present but also a disciplinary separation from politics: what could be more iconic of scholarly seriousness than a return to the classics? Yet perhaps he also needed the safety of ancient Greece to experiment with dangerous ideas.

Foucault's reputation as an innovative theorist of power was firmly established by *Discipline and Punish* and *The History of Sexuality*, Volume I, published in French in 1975 and 1976, respectively. His thought takes on a more experimental and, to my mind, more clearly political character, though, in his annual lecture courses at the Collège de France, particularly the two final courses in 1983 and 1984, which together form one extended investigation of the role of *parthésia*—truth-telling or free, frank speech—in ancient Greece. Here he seeks not only to challenge traditional modes of political thought and action but to explore alternatives, even to the point of proposing a form of philosophical and political militancy. On my reading, these last lectures cast a new light on the political significance of Foucault's work as a whole and revise our understanding of his project's trajectory.

Before discussing the lectures, though, it is useful briefly to situate them in the arc of Foucault's career and, specifically, in relation to his theories of power. Two of the most original propositions of *Discipline and Punish* and *The History of Sexuality*, Volume I, led many critics to deplore what they considered his all-encompassing notion of power. The first proposition is that in modern society there is no locus of power that dictates social order; rather, power functions in capillary form through decentred networks of institutions and apparatuses. Second, there is no 'outside' to power, such that the subjects over which it rules are constituted by the functioning of power itself. Accepting the first proposition, that there is no centre of power, clearly undermines traditional forms of political thought and action, particularly those aimed at social change. How can we identify the enemy and where can we direct our political campaigns? Revolution can no longer be thought in terms of storming the Winter Palace and toppling the locus of oppressive power. Accepting the second proposition, however, that there is no outside to power, creates an even more disorienting situation. If we ourselves—our knowledge, desires and goals—are produced in the arrangements and application of power, then we must stop thinking of politics in terms of repressed subjects struggling for emancipation from the state, oppressive institutions, or even the social norms of heterosexuality. How can we struggle for a different society when we ourselves are constituted by power? Who is the subject we are striving to emancipate? Many readers who pose such questions come to the conclusion that Foucault would render transformative political thought and action impossible.

These critiques, which have characterized a large portion of the reception of Foucault's studies of power, might be dismissed as merely a defensive reaction by those his theories are meant most strongly to attack. Indeed some of the loudest criticisms have come from proponents of the orthodox forms of Marxism and party-based politics that Foucault sought directly to challenge. His analysis of power, one might respond, makes politics a problem for them but not for him. Foucault did, in fact, continue in these books to write, often beautifully, of constellations of resistance that challenge the ruling power. Furthermore, in this period his own political activity as a public intellectual did not wane but if anything increased. He became one of the most prominent and visible French intellectuals, defending the rights of prisoners, the poor and the oppressed, in France and abroad, including Vietnamese boat people, dissidents in Eastern Europe and revolutionaries in Iran.

Nonetheless, in my view Foucault's studies of power did run into a conceptual dead-end and posed a political problem for him as well; a rather different one than that deplored by his critics, no doubt, but not any less serious. In his biography of Foucault, Didier Erbon recounts that after the 1976 publication of *The History of Sexuality*, Volume I Foucault was intellectually

fragile and unusually sensitive to criticism. For the next eight years he published no books, an enormous gap given his previous productivity. What accounts for this long interruption? I would speculate that the studies of power left him in a state of intellectual crisis or, at least, with a need to reorient his project. He had successfully articulated an extraordinary critique of power and traditional forms of politics, but was not able to advocate a new politics or propose the adequate means to struggle for a new society. Just before his death in 1984 he completed the manuscripts for the next two volumes of the history of sexuality, *The Use of Pleasure* and *The Care of the Self*, which focus on the modes of subjectification, especially the formation of ethical subjects, in the ancient Greek and Roman worlds. These final books, although startlingly original, rich and fascinating in many regards, seem to retreat from the analysis of power and problems of collective action, substituting for them ethical issues, such as the care of the self. The trajectory of Foucault's work thus appears to turn away from unresolved issues of political praxis.

During this period of crisis or reorientation in the late 1970s and early 1980s, however, Foucault's courses at the Collège de France served as a proving ground to work through political problems and experiment with alternative modes of political thought. The Collège is an elite scholarly institution that does not have students or award degrees. Every year from the time of his election to the chair of 'the history of systems of thought' in 1970, Foucault gave a course of weekly public lectures on some aspect of his current research (the only exception was his sabbatical year, 1977). The thirteen lecture courses are now being published, at a deliberate pace: eight have appeared in French and six of those in English. Readers familiar with the polished arguments and obscure, erudite references of Foucault's books may well find his style in these lectures surprisingly teacherly. Typically he presents the major lines of the text for the week; outlines the general historical frame to situate it (often apologizing for generalizations); summarizes the relevant secondary literature; explains key terms; and frequently repeats or summarizes what he has said the previous week (apologizing for that, too). In contrast to his books, then, which show us only the final product, the courses give us a glimpse of Foucault at work, frequently doubting himself and sometimes changing direction while testing various hypotheses and theories.

What interests me most about the courses is their political experimentation and the way they explore, sometimes in a very roundabout way, contemporary political problems. One particularly fascinating example is Foucault's 1979 course, *The Birth of Biopolitics*, in which his analyses of the development of neoliberal economic thought in post-war West Germany and, to a lesser degree, the United States served indirectly to work through

a political conflict that had erupted over a year earlier. In November 1977 the West German government demanded the extradition from Paris of Klaus Croissant, a lawyer representing the Red Army Faction (a.k.a. Baader-Meinhof Gang), charging him with overstepping attorney privileges and materially aiding his clients. Foucault mobilized to defend Croissant and the principle of the right to asylum, even to the point of having his ribs fractured by police in a clash outside La Santé prison where Croissant was held. He refused, however, to sign a petition supported by many prominent French intellectuals, most notably his long-time friend Gilles Deleuze, which not only defended Croissant but also claimed the West German state was becoming fascist. The petition incident was traumatic for Foucault, in particular because it broke his relationship with Deleuze, whom he did not see again before his death.

I interpret Foucault's 1979 course as a defence and explanation of his position in the Croissant affair through its argument that the West German state is not fascist but neoliberal. This proposition, of course, continues Foucault's earlier rejection of the notion of the state as the locus of power, which he derided as 'state-phobia'. In contrast to fascism, he explains, neoliberalism operates through plural and decentralized governmental mechanisms defined by entrepreneurial logics and market rationality: a state supervised by the market, rather than a market controlled by the state. I think that Foucault's motivation for contesting the claim of a 'fascist state' is also explained by the politics such a term implies, though he does not say this explicitly. Although many people use the term 'fascist' today simply as an extreme but relatively generic political insult—think of those who called the Bush government or the US Patriot Act fascist—in the late 1970s, particularly in groups like the Red Army Faction and the Italian Red Brigades, the claim carried specific political consequences: since the state was fascist, the only effective means to oppose it was armed struggle organized in highly disciplined, clandestine bands. Foucault's analytical conclusion, then, that the West German state was not fascist, was directed also, and perhaps even primarily, against a specific form of action. As in his earlier studies of power, however, here too Foucault was much more successful in undermining mistaken political strategies than proposing alternatives. He provided no positive propositions regarding the appropriate modes of struggle against neoliberalism.

Foucault addressed fundamental problems of politics—even contemporary political action—most substantially, in my view, in his two final lecture courses, *Le gouvernement de soi et des autres* [The Government of Self and Others] and *Le courage de la vérité* [The Courage of Truth]. Both have been meticulously and intelligently edited by Frédéric Gros; the first of the two will be published this year in English. (In the fall of 1983, Foucault delivered a

series of six lectures at the University of California, Berkeley that summarize his project in the two Collège de France courses. Edited transcripts of tape-recordings of these lectures were published in 2001 as *Fearless Speech*.)

The opening lecture, given in January 1983, presents a detailed reading of Kant's 'What is Enlightenment?', which implores us, Foucault explains, to focus on the 'now': to construct an 'ontology of ourselves' that reveals both the conditions of the present and the means by which we are constituted as subjects. Foucault turns immediately in the second lecture, though, and for the subsequent two years to study ancient Greek political thought. The disjunction is extreme: how do the ancient Greeks allow him to respond to Kant's injunction regarding the 'now' and the need to articulate an ontology of ourselves? As I suggested earlier, Foucault seems to need a safe distance in order to grapple with the present. Yet the fact that he introduces the course with these Kantian questions should indicate that, at the very least, he is also trying to work through contemporary political problems.

One of the central problems that Foucault addresses is announced by the course title: the relation between ethics—the government of the self—and politics: the government of others. Whereas Foucault's other investigations of ancient thought, including volumes two and three of the *History of Sexuality*, focus primarily on the care of the self and individual practices, he seeks in these courses to extend that framework to questions of collective political action and government. A second central preoccupation in the lectures is the nature of political discourse and its relation to political action. Foucault declares repeatedly that he has gone to ancient Greece in search of the origins of political speech and, in particular, a form of politics based on the courage to speak the truth to others and oneself. Both of these objectives are encompassed by what probably constitutes the overarching frame for the courses: the problem of democracy, or really democratic speech.

The immediate task Foucault sets himself is to trace the genealogy in ancient Greek thought of *parrhesia*, a term rendered alternatively in English as truth-telling, free speech or frank speech. That we have no adequate modern translation for *parrhesia* is a symptom of the fact that it long ago dropped out of our conceptual vocabulary. Foucault approaches this task through the strategy of periodization that he employed throughout his career: he discerns three primary periods, or paradigms, for the use of *parrhesia* in ancient Greece and then tries to distinguish the defining characteristics of each. The first period covers roughly the golden age of Athenian democracy, the 5th century BC, and focuses on classic texts such as Euripides's *Ion* and Thucydides's accounts of Pericles's speeches. Foucault begins with an analysis of the role of truth-telling in political speech, perhaps the supreme achievement of Athenian democracy; he argues that the ability of courageous figures like Pericles to speak truth in public constitutes the core

of democratic practice. *Parrhesia* is thus the foundation of democracy and, in turn, democratic society is the proper site of *parrhesia*.

However, Foucault discerns a conflict in these texts between *parrhesia* and *isegoria*, the equal right to give one's opinion in public debate. Whereas *isegoria* denotes a constitutional or juridical equality, *parrhesia* is characterized by difference and inequality. 'Not everyone who is able to speak can speak truth', Foucault asserts:

True discourse introduces a difference or, rather, it is tied by both its conditions and effects to a difference: only some can speak truth. And once only some can speak truth, once this speaking-truth emerges in the field of democracy, at that moment a difference is created by the ascendance exercised by the ones over the others.

If only a few have the capacity and the courage to speak the truth in politics, and accept the risks that this brings, then *parrhesia* implies an agonistic, unequal field in which leaders such as Pericles ascend to a position of authority. By focusing on *parrhesia* Foucault thus sees a paradox emerging within the heart of Athenian democracy, in which equality and truth-telling are irreconcilably at odds. Democracy can either affirm equality at the expense of *parrhesia*, giving all equal right to say whatever they want in politics, or affirm *parrhesia* at the expense of equality, conceding authority to virtuous, truth-telling leaders.

At this point Foucault moves to the next period in his genealogy, investigating the passage from the 5th-century BC attempts to locate *parrhesia* in democracy to the resolutely undemocratic, or even anti-democratic, analyses of *parrhesia* in the 4th century BC. He dwells at great length on this period—the entire second half of the 1982–83 lecture course and more than half the 1983–84 series—concentrating primarily on Socrates and Plato. His readings of *Phaedo*, *Alcibiades*, *Laches*, *Apology*, Plato's letters, and other familiar texts are rich and inventive, full of all kinds of fascinating tangents. Foucault devotes almost an entire lecture, for instance, to explaining an intriguing, original interpretation proposed by his friend, Georges Dumézil, of Socrates's famously obscure final words, 'Crito, we owe a cock to Asclepius. Pay the debt and do not forget.' Foucault clearly enjoys this engagement with the Socratic tradition, even though, or perhaps because, it is such conventional philosophical terrain and so distant from the mode of practising philosophy for which he was famous. 'As professor of philosophy', he jokes at the end of one session, 'at least once in life one has to teach a course on Socrates and the death of Socrates. It's done. *Salvate animam meam.*'

The thread that ties together Foucault's readings of Plato, despite his frequent wandering, is the incompatibility of democracy and truth-telling. In effect, the paradox of democracy that he perceives nascent in Thucydides

and Euripides in the earlier period is now in full bloom and serves as basis for a concerted opposition to democracy. Why, Foucault asks, for example, does Socrates not speak and act politically in Athens? Socrates explains, after being condemned to death, that if he had spoken the truth publicly and politically the Athenians would have killed him even earlier. 'The powerlessness of true discourse in democracy', Foucault concludes, 'is not due, of course, to true discourse, that is, to the fact that the discourse is true. It is due to the very structure of democracy.' Just as Socrates thinks he is saving his own life by staying out of politics, so too he seeks to preserve truth-telling by keeping it out of democracy. The appropriate field of truth for Socrates is not politics but ethics; that is, the government not of others but of the self. Know yourself, speak the truth about and to yourself, and care for yourself: these are the Socratic mandates that affirm the centrality of *parrhesia*.

Foucault is particularly fascinated by the ways in which Socrates makes life and one's mode of life the central object of *parrhesia*. In *Laches*, for example, Socrates engages with Laches and Nicias, distinguished Athenian generals and paragons of courage, and leads them to question conventional conceptions of what it means to be brave. At issue in the dialogue is how to determine who is the best teacher of youth; but Foucault focuses on how Socrates leads his interlocutors to evaluate a person's worth, as teacher but also more generally, by examining the way he lives, his form of life. Socrates's superiority, which emerges as the dialogue unfolds, is due not only to his courage in speaking the truth but also to the harmony of what he says, how he says it and how he lives. Socrates thus elevates truth-telling to a mode of life.

Here Foucault steps back to make the kind of enticing but unsubstantiated generalization typical of these lectures. Socrates, he claims, proposes two modes of philosophical practice which subsequently divide to define the two primary branches of modern European philosophy: one that concentrates on knowledge and the exploration of the mind and the other that treats philosophy as an *épreuve de la vie*, a test or examination of life, which considers *bios* itself an ethical and even aesthetic matter. Foucault is interested here primarily in this second branch and, specifically, in how the examination of life can become a properly political task.

In the third and final period of the genealogy Foucault focuses on the Cynics, the Socratic philosophical movement particularly active roughly from the first century BC to the fourth century AD that counted Diogenes, Antisthenes and Crates among its founders. Few philosophical texts from the Cynics survive, but we do have numerous accounts of their lives, many of which are at least in part apocryphal. These lives are what interest Foucault most, because they extend and transform the Socratic mandate to make

one's life an expression of *parrhesia*: that is, they turn the injunction to live a 'true life' into a militant, political project.

The Cynics practised *parrhesia*, Foucault explains, through a kind of public, critical preaching, often aimed against social institutions. They also sought to enact the truth through scandalous behaviour that exposed to public view aspects of life that are generally hidden. They ate in public, walked naked, and even masturbated in the city square. Two fundamental principles of the true life for the Cynics were exposure and poverty: not only destroying any division between private and public, but also releasing the Cynic from the limits of individuality, so as to be able to construct a life addressed to humanity as a whole. Indeed Foucault remarks that in this regard Franciscans and other Christian ascetics are at least partial inheritors of the ancient Cynics in the mediaeval world. This does not mean that he interprets the Cynics' practices as stripping life of pleasure. I suspect, although he does not say this, he would see a greater range of pleasures in their open social practices, even in their extreme exposure and poverty; but his target lies elsewhere. The *askesis* of the ancient Cynics, Foucault claims, is 'a militancy that aims to change the world, much more than a militancy that would seek simply to furnish its adepts with the means to arrive at a happy life'. The life the Cynics proposed is a militant life that struggles to change both ourselves and the world.

One of the stories Foucault finds most fascinating about the life of Diogenes, the philosophical hero of the Cynics, was his visit to the Oracle at Delphi. The Oracle famously pronounced Socrates the wisest of men, which Socrates interpreted to mean that he was the most aware of his ignorance. But Diogenes was instructed by the Oracle to 'falsify the currency', that is, transform the value of money. What a wonderful and mysterious mandate! In the context of today's global financial crisis it could be a powerful political slogan. Scholars explain that the obscure phrase could derive from reports that Diogenes's father, Hicesius, who worked in the mint in Sinope, was exiled after being charged with counterfeiting. Foucault notes such historical explanations but sets them aside and instead interprets the mandate conceptually, with reference to the fundamental principle of Cynicism: how to live one's life. The proximity of the Greek word for currency or money, *nomisma*, to that for law or norm, *nomos*, reinforces Foucault's interpretation of the slogan as a mandate to revalue all values, to change one's life so as to change society as a whole. Indeed one hears striking echoes of a politicized Nietzsche and his injunction to transvalue all values in Foucault's analysis. To falsify the currency clearly emphasizes the difference between the Platonists' search for individual knowledge and the Cynics' struggle for social change. The care of the self is enlarged to the care not only of a few others but of humanity as a whole. In terms of philosophical doctrine, Foucault argues, the ancient Cynics contributed little, merely adopting and

transforming various traditional formulations. Their singular contribution instead is to make life the centre of a philosophical and political project.

Foucault defines the Cynics' primary goal as 'militant life, the life of combat and struggle against the self and for the self, against others and for others'. The only true life for the Cynics is a life transformed, and the only way to achieve such a life is to create another world out of this one. The true heirs of the ancient Cynics in the modern world, he claims, are revolutionaries whose lives enact a—sometimes violent—rupture with the conventions and values of the dominant society. Foucault adds in a polemical aside that this revolutionary life is radically different, even opposed to, the activism of contemporary political parties that call themselves revolutionary, which are really defined by a strict conformity of life.

The key to the shift accomplished by the Cynics is the development of the terrain of life—a militant life, a revolutionary life—as the locus of politics. Foucault needs the discovery of biopolitics, one might say, to grapple fully with politics. To understand this we must make a terminological distinction, which Foucault himself does not employ consistently, between biopower and biopolitics. Biopower, which he first theorizes in the mid-1970s, is a form of power in which the life of populations becomes the central object of rule, not only or even primarily through the destruction but also the creation of life. Foucault explores this deployment of power over life or, rather, through life in the context of sexual behaviours, medical practices, racial discourses, economic paradigms, and so forth. The militancy of the ancient Cynics, however, is clearly an entirely different politics of life. Biopolitics is the realm in which we have the freedom to make another life for ourselves, and through that life transform the world. Biopolitics is thus not only distinct from biopower but also may be the most effective weapon to combat it.

Foucault's lectures end rather abruptly after his analysis of the Cynics. My intention was not to stop with the Cynics, he explains on the final day, but to demonstrate how ancient Cynicism constructs a different relation between life and *parthesia*, casting the discourse of truth in terms of a true life. The trajectory of the courses is thus incomplete; but through his analyses of these three periods Foucault already indicates the outlines of a powerful political project. In briefest summary one might say that the first passage—away from the democratic Athenian political terrain of the government of others to the Socratic paradigm of the care of the self—allows him to focus on life as the centre of transformation. Through a second passage, and with the aid of the Cynics, he brings this back to the field of politics as a militant, transformational life: from Pericles the virtuous orator, speaking the truth in public, to Socrates, the wise advocate of self-knowledge; and finally to Diogenes, the militant striving to create a new life that changes the world.

This three-part trajectory of Greek thought bears intriguing correspondences to the arc of the final decade of Foucault's own career. The first passage, from his studies of power in the mid-1970s to his explorations of the subject and the care of the self in the early 1980s, allows him to reorient his project towards the ethical practices of life; which he subsequently shifts, in a second passage that begins to take shape in these lectures, towards the biopolitical terrain of militant action. No longer does he focus on the functioning of power or its apparatuses of discipline or control, but rather explores political thought and action as a realm of freedom, oriented toward changing not only ourselves but also our world.

But the trajectory of Foucault's career, of course, was cut short. The lecture courses, in the end, raise more questions than they answer. Why, for example, after exploring so thoroughly the crisis of democracy in the first two periods of Greek thought does he not address it in relation to the Cynics? Does their militant life somehow resolve or set aside democracy's contradictions? Or if democracy and equality are not the content of their struggle, what makes the true life and new world they strive for a better life and a better world? Finally, does Foucault's enthusiasm for the Cynics indicate that he views their biopolitical militancy as a model for effective contemporary political action against neoliberalism and today's forms of biopower? This is an evocative, exciting idea but Foucault, unfortunately, did not have the opportunity to develop it. We can only imagine how explosive would have been this notion of biopolitical militancy if Foucault had been able to deploy it not only at the safe distance of ancient Greece but also in his world.

Reading these courses, especially when focusing on their unanswered questions and the project cut short, it is difficult not to think of Foucault's approaching death and see clues of it everywhere. He apologizes, for instance, at the opening of the 1984 course that illness forced him to delay the first lecture for a month, and repeatedly during the Spring he asks forgiveness for ending sessions early because of fatigue. He died on 25th June 1984, barely two months after the end of the course. Foucault concludes that final lecture, which one suspects he knows is his last, simply, movingly, without completing the written text he prepared: 'But finally, it is too late. So, thank you.'

65 SEPT/OCT 2010

NEW LEFT REVIEW

Robert Wade & Silla Sigurgeirsdóttir

Lessons from Iceland

Julian Stallabrass *Art-Photography Lite*

Joel Andreas *The Shanghai Model*

Kevan Harris *Islam's Land of Ideas*

Huang Yasheng *Reply to Andreas*

Tor Krever *Law as Hermeneutics?*

Tom Mertes *From Crash to Slump*

Theodor Adorno & Max Horkheimer

Towards a New Manifesto

EDITOR: Susan Watkins

EDITORIAL COMMITTEE: Tariq Ali, Perry Anderson, Gopal Balakrishnan, Emilie Bickerton, Robin Blackburn, Robert Brenner, Malcolm Bull, Mike Davis, Tom Mertes, Francis Mulhern, Julian Stallabrass, Jacob Stevens, Tony Wood, JoAnn Wypijewski

DEPUTY EDITOR: Tony Wood

PUBLISHING DIRECTOR: Kheya Bag

SUBSCRIPTIONS DIRECTOR: Johanna Zhang

ASSISTANT EDITOR: Kenta Tsuda

ONLINE PUBLISHER: Rob Lucas

ADDRESS: New Left Review, 6 Meard Street, London W1F 0EG

TEL: +44 (0)20 7734 8830; fax: +44 (0)20 7439 3869

EMAIL: mail@newleftreview.org; editorial@newleftreview.org

WEBSITE: www.newleftreview.org

SUBSCRIPTIONS: tel: +44 (0)20 7434 1210; fax: +44 (0)20 7439 3869

EMAIL: subs@newleftreview.org

ANNUAL SUBSCRIPTION WITH ONLINE ARCHIVE ACCESS

INDIVIDUAL

£34/\$60/€52 (surface), £44/\$75/€67 (airmail)

STUDENT RATE

£24/\$40/€36 (proof required)

INSTITUTIONS

£215/\$400/€315 (surface), £225/\$420/€330 (airmail)

NON OECD INSTITUTIONS

£105/\$195/€145 (surface), £115/\$215/€160 (airmail)

SINGLE ISSUES

£35/\$60/€50 (institutions), £7/\$12/€10 (individuals)

PUBLISHED BY: New Left Review Ltd (ISSN 0028-6060). World Copyright © 2010, New Left Review. Published six times a year in January, March, May, July, September and November. UK DISTRIBUTOR: Central Books, London. US DISTRIBUTORS: Ingram Periodicals, La Vergne, TN. Ubiquity, Brooklyn, NY. US POSTAGE: Periodicals postage paid at Rahway, NJ. US AGENT: Mercury International, 365 Blair Road, Avenel, NJ 07001. US POSTMASTER: Send address corrections to New Left Review, 365 Blair Road, Avenel, NJ 07001.

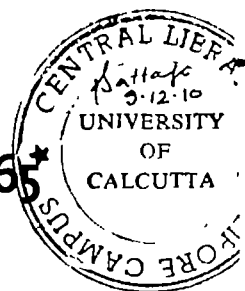
PRINTED BY: Bell & Bain, Glasgow

DESIGNED BY: Peter Campbell

NEW LEFT REVIEW 65

SECOND SERIES

SEPTEMBER OCTOBER 2010



ARTICLE

- | | | |
|---|----------------------|---|
| ROBERT WADE &
SILLA SIGURGEIRSDOTTIR | Lessons from Iceland | 5 |
|---|----------------------|---|

DOCUMENT

- | | | |
|------------------------------------|-------------------------|----|
| THEODOR ADORNO &
MAX HORKHEIMER | Towards a New Manifesto | 33 |
|------------------------------------|-------------------------|----|

POLEMIC

- | | | |
|---------------|--------------------------|----|
| JOEL ANDREAS | A Shanghai Model? | 63 |
| HUANG YASHENG | Politics of China's Path | 87 |

ARTICLE

- | | | |
|--------------------|--------------------|----|
| JULIAN STALLABRASS | Museum Photography | 93 |
|--------------------|--------------------|----|

REVIEWS

- | | | |
|--------------|---------------------|-----|
| TOM MERTES | Crash and Slump | 127 |
| TOR KREVER | Hermeneutics of Law | 141 |
| KEVAN HARRIS | Islam's Germany | 151 |

PROGRAMME NOTES

ROBERT WADE & SILLA SIGURGEIRSDOTTIR: Iceland

The extraordinary rise and fall of Iceland's financial-casino economy. Wade and Sigurgeirsdóttir describe the island's neoliberal turn under a quasi-feudal elite turned banking oligopoly, and its prospects amidst the triple crisis—currency, banking, sovereign debt—now bestriding it.

THEODOR ADORNO & MAX HORKHEIMER: Dialogue

Record of 1956 conversations between the authors of *Dialectic of Enlightenment*, ranging across themes of work and time, utopianism and change, and the relation between radical theory and practice in the absence of a party.

JOEL ANDREAS: A Shanghai Model?

Assessment of Huang Yasheng's iconoclastic account of the PRC's economic reforms, *Capitalism with Chinese Characteristics*. Did the 1990s witness a turn away from rural entrepreneurialism towards a state-led model favouring coastal elites?

HUANG YASHENG: Politics of China's Path

Responding to Andreas, Huang Yasheng offers a different chronology for the rural economy's decline, and stresses the direct impact of political choices made in Beijing on the pace and direction of capitalist development.

JULIAN STALLABRASS: Museum Photography

Julian Stallabrass surveys the work of Jeff Wall, its critical reception and incorporation into the circuits of institutional art. Mutual accommodations of museum and photographic medium, under the light-box's commodified glow.

BOOK REVIEWS

TOM MERTES on Liaquat Ahamed, *Lords of Finance*. Bestselling portrait of the interwar world's central bankers as originators of the Great Depression—with edifying comparisons to their modern counterparts.

TOR KREVER on Alain Supiot, *Homo Juridicus*. Leading French jurist presents an anthropologically grounded case against the subordination of law to the logic of the market.

KEVAN HARRIS on Mehran Kamrava, *Iran's Intellectual Revolution*. Partial mapping of the Islamic Republic's ferment of ideas, from theocratic jurisprudence to liberal anxieties over 'modernization'.

CONTRIBUTORS

JOEL ANDREAS: *author of Rise of the Red Engineers (2009);
at JHU; see also NLR 54*

KEVAN HARRIS: *studies sociology at Johns Hopkins*

HUANG YASHENG: *teaches at MIT and Tsinghua; author of
Selling China (2003) and Capitalism with
Chinese Characteristics (2008)*

TOR KREVER: *studies law at Harvard Law School and Cambridge*

SILLA SIGURGEIRSDOTTIR: *teaches politics at
the University of Iceland*

ROBERT WADE: *at the LSE; the revised edition of
Governing the Market appeared in 2004;
see also NLR 7, 25, 38, 46 and 53*

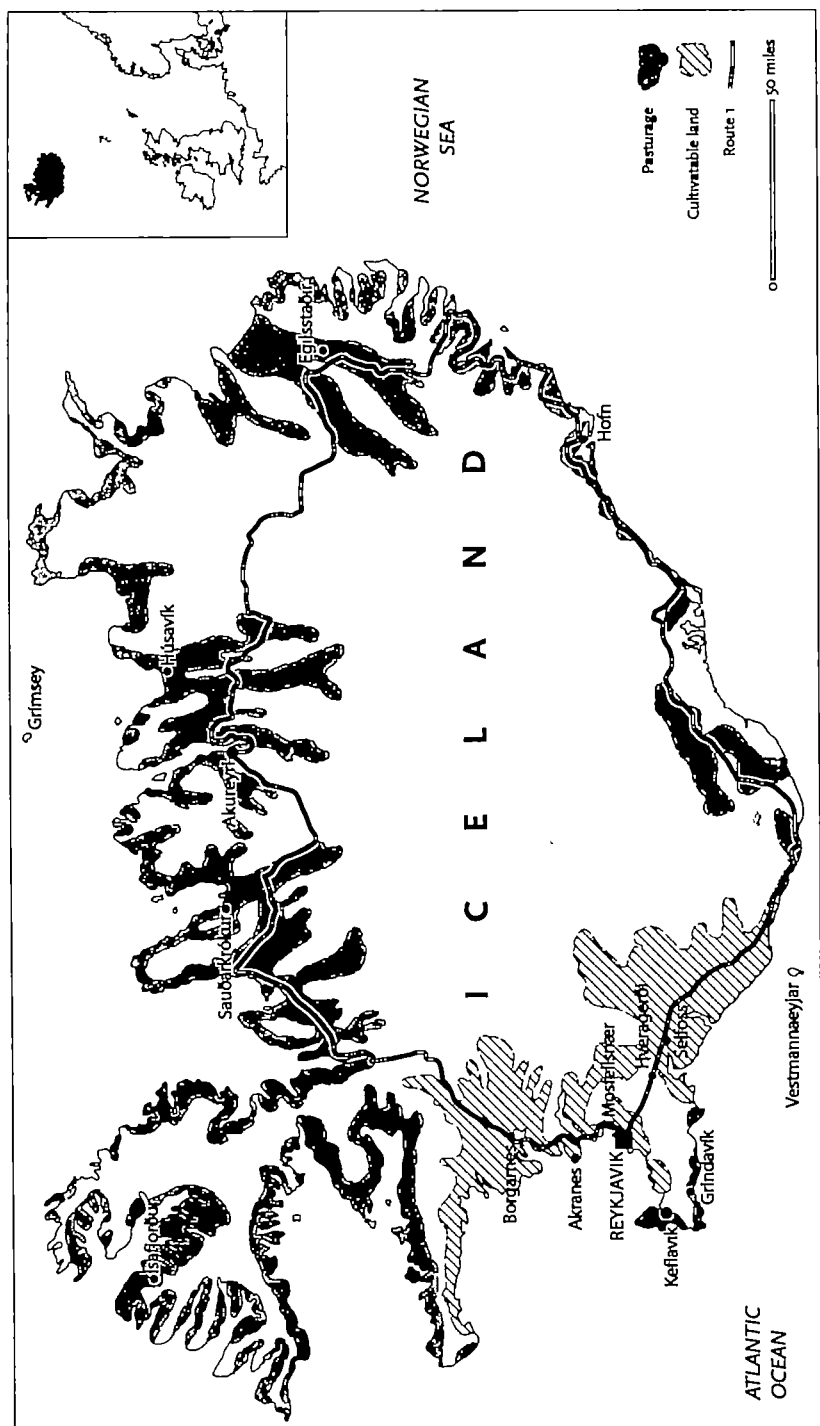
LESSONS FROM ICELAND

Negative reports on the Icelandic economy, as published in several foreign newspapers recently, come as a surprise to us . . . All indicators and forecasts are consistent that the prospects are good, that the situation in the economy is by and large strong and the banks are sound. This has been thoroughly confirmed by well-known scientists such as Frederic Mishkin, who has become a governor of the US Federal Reserve, and Richard Portes, a well-known academic expert in this field.

Prime Minister Geir Haarde, March 2008¹

IN 2007, AVERAGE income in Iceland was almost \$70,000 per annum, the fifth highest in the world and 160 per cent of that of the United States. Reykjavik's shops brimmed with luxury goods, its restaurants made London look cheap, and SUVs choked its narrow streets. Icelanders were the happiest people in the world, according to an international study in 2006. Much of this prosperity rested on the super-fast growth of three Icelandic banks. They rose from small, utility institutions in 1998 to join the ranks of the world's top three hundred banks eight years later, increasing their 'assets' from 100 per cent of GDP in 2000 to almost 800 per cent of GDP by 2007, a ratio second only to Switzerland's. As the value of their houses soared, Icelanders also loaded up on debt, including foreign-currency debt, living out Plautus's dictum: 'I am a rich man, as long as I do not repay my creditors'.

The crisis hit at the end of September 2008, as the money markets seized up in the wake of the Lehman meltdown. Within a week, Iceland's three big banks collapsed and were taken into public ownership. They now joined a less glorious league—Moody's list of the eleven biggest financial collapses in history. Since then Iceland has been pioneering an uncontrolled experiment in how a modern economy can function in a combined currency crisis, banking crisis and sovereign-debt crisis. By



November 2008 the Icelandic króna had fallen to 190 to the euro, from a previous exchange rate of around 70—a massive cut in the islanders' purchasing power. The foreign-exchange market stopped working, and world currencies were available only for government-approved imports. The stock market plunged by about 98 per cent, and by March 2009, the banks' senior bonds were trading at between 2 and 10 per cent of their face value. Average gross national income fell from 1.6 times that of the United States to 0.8 times in February 2009, at market exchange rates. These are measures of a calamity.

Iceland is interesting partly because it is an unusually 'pure' example of the larger dynamics that produced the rising levels of financial fragility across the developed world through the 1990s and 2000s. In many countries the finance sector grew relative to the rest of the economy, thanks to a combination of three factors: the 'post-Bretton Woods' architecture of floating exchange rates and free capital movements; the internet; and surging concentrations of income and wealth in the top few percentiles of the population in the advanced-capitalist countries and several other major economies, including China and India, that raised the demand for complex financial instruments in which to store their accumulating funds. In earlier periods when finance was in the driving seat—for example, at the start of the twentieth century, in the Belle Epoque—financiers retained close ties to production. They sat on the boards of the great electrical, chemical, metallurgical, railroad and shipping conglomerates; they helped to create oligopolies and decide where to invest in production. The difference this time, especially after the high-tech crash of 2000, is that finance in the driving seat has been able to generate giant profits and remuneration 'within itself', by 'casino economy' operations far from production.

Then the positive-feedback loop kicked in, as many governments—notably those of Britain and the US, home to the City of London and Wall Street—became more beholden to their financial industries than

¹ Geir Haarde, speech to the 2008 annual meeting of the Central Bank of Iceland, quoted in the report of the Special Investigation Commission, *Causes and the run up to the collapse of the Icelandic banks in 2008*, vol. 1, ch. 5, sec. 3, Reykjavik 2010, p. 216; henceforth, SIC Report. This 9-volume, 8kg report is an invaluable source of information, though one has to read between the lines to sense the John le Carré aspects of the story. The government has declined to undertake an English translation beyond an executive summary.

to any other sector. Commentators celebrated the 'great stability', the apparent success of policymakers in smoothing the ups and downs of the economic cycle and sustaining long periods of non-inflationary growth. Governments' dependence on the financial sector, and mood of self-congratulation, led them to signal that they would use state revenues to bail out large financial organizations that made ill-judged investment decisions, creating a largely unnoticed danger of 'moral hazard'. Financiers became confident that 'we won't face the downside if we screw up'. They modelled stress tests for only modest levels of difficulty since, as one British banker put it, 'the authorities would have to step in anyway' in the event of trouble.² Not only was national oversight ineffective; global regulation, such as Basel rules, was even laxer, or even counterproductive; and within Europe there was little serious cross-border regulation.

In Iceland the problems of financial-casino economy, regulatory capture and moral hazard were intensified, because the economy and population—around 300,000 people—are small and the state, though 'modern' in appearance, did not have regulators with specialized knowledge of international banking. Instead, the government relied increasingly on the banks themselves for information about the economy. Furthermore, from the early 1990s the country was ruled by zealous neoliberals, who believed that financial markets were 'efficient' and self-adjusting. These were ideal conditions for regulatory capture.

In the relaxed regulatory climate of the Atlantic world in the early 2000s, Iceland's bankers were able to buy up big-name high-street brands in Britain, Denmark and elsewhere, leveraging up their balance sheets on the back of shaky or even fictitious collateral. They also succeeded in shifting much of the risk onto the countries of their operations, away from Icelanders—a double moral hazard. The weakness of cross-border regulation allowed the banks great latitude, and they faced virtually no international scrutiny before 2006. In the face of market worries, they then mounted a well-organized PR campaign, hiring big-name economists to say that the Icelandic financial system was basically sound. One of the banks established an internet-based service, Icesave, which allowed

² Quoted in Andrew Haldane, 'Why banks failed the stress test', 9 February 2009, available on the Bank of England website. Haldane is the Bank's Executive Director for Financial Stability.

international retail deposits to flood in. The Icelandic state, meanwhile, had nothing like the resources necessary to secure the banks at the size to which it allowed them to grow; although for a long time it managed to assure investors and other governments that it did. But let us start further back, with the story of how Iceland moved from being one of the poorest countries of Western Europe, in 1945, to being one of the richest by the 1990s; and how it then, even more extraordinarily, produced three major international banks.

From rags to riches

As late as the 1850s, Iceland remained a quasi-feudal colony of Denmark, as it had been for many centuries. Between them, the Danish crown and the Lutheran Church owned over half the usable land; the rest was divided between the handful of local landowners who constituted the native ruling class, and owed their wealth to the exploitation of their tenant farmers' labour. Agricultural workers were legally bound to seek all-year employment on a farm, and not permitted to start families until they could prove they had independent means of subsistence; debt bondage was ubiquitous. Neither the colonial power nor the local landlords had any interest in allowing the growth of alternative employment opportunities, so urban development remained stunted and Iceland's fisheries were mainly exploited by its neighbours. The stubborn struggle of subsistence farmers for their land was an important dynamic within the late nineteenth-century national-independence movement, which also had a strong cultural component. The crofters' life was unforgettably portrayed in Halldór Laxness's great novel, *Independent People*.

Independence from Copenhagen was won in gradual stages: home rule in 1904, sovereignty—albeit with semi-dominion status—in 1918. At the start of the twentieth century, after more than six hundred years of foreign rule, Iceland's average per capita income was about half that of Denmark's, and its social structure remained the most feudal of all Nordic countries'. The mechanization and expansion of the trawler fleet, however, slowly began to open up new employment opportunities for agricultural labourers.³ Fishing came to dominate the economy, generating the bulk of Iceland's foreign-currency earnings, and allowing it to develop a growing import-based commercial sector. This in turn

³ Gunnar Karlsson, *Iceland's 1100 Years*, London 2000.

created new urban economic activities: construction, services, light industry. Icelandic capitalism was dominated from the start by a bloc of some fourteen families, popularly known as The Octopus, which constituted both the economic and the political ruling elite. As well as the import sector, The Octopus controlled transport, banking, insurance and fishing—and, later, supplies to the NATO base. For over half a century, it provided most of Iceland's government personnel and divided up public-sector jobs and other spoils of office between its families, who lived like latter-day chieftains.⁴

The inter-war period saw the emergence of the political groupings whose descendants still contend for office in Iceland today. In contrast to the other Nordic countries, where social-democratic parties have generally played a hegemonic role, here the conservative Independence Party has long held sway, often in alliance with the smaller, agrarian Centre Party. This is due in large part to the electoral over-representation of rural areas, enshrined in the Constitution, which the Independence Party has naturally defended tooth and nail. A smaller, fissiparous but vigorous left has always persisted alongside it, however: the early twentieth-century Social Democratic Party split along Second and Third International lines; the radical Common People's Party formed serial alliances with both groupings, and in the post-war period the different socialist groupings—the People's Alliance, the Union of Liberals and Left—as well as the Social Democrats would participate in various short-lived governing coalitions, sometimes with the Independence Party itself. Trade unions and farmers' cooperatives retained some political weight.

After the Second World War the Icelandic economy entered a period of much stronger growth. This was due to a combination of factors: Marshall Plan aid, premised on the existence of a large US-NATO military base; an abundant export commodity—cold-water fish—blessed, as few such commodities are, with high income elasticity of demand; and a very small, highly literate population with a strong sense of national identity. Iceland became more prosperous; it established a welfare state, in line with the tax-financed Scandinavian model, and by the 1980s had attained both a level and a distribution of disposable income equal to the

⁴ Órnólfur Arnason, *Á slóð Kolkraðbans; Hverjir eiga Ísland?* [In the Realm of the Octopus: Who Owns Iceland?], Reykjavík 1991; Guðmundur Magnússon, *Eimskip frá upphafi til nútíma: Saga Eimskipafélags Íslands* [Eimskip from the Start to the Present: The History of Eimskipafélag Islands], Reykjavík 1998.

Nordic average. Yet it remained both more regulated and more clientelist than its European neighbours; the local oligopoly dominated—and restricted—both the polity and the economy.

A direct line of descent could be traced from the quasi-feudal power structures of the nineteenth century to those of the modernized Icelandic capitalism of the late twentieth. Political leaders acted as heads of long patronage chains, controlling access to jobs and credit. The local (state-owned) banks were effectively run by the dominant parties: the Independence Party controlled appointments and creditor arrangements at the National Bank of Iceland (*Landsbanki*); the Centre Party performed the same role for the Agricultural Bank (*Búnaðarbanki*). Ordinary people had to go through party functionaries in order to get loans to buy a car, or foreign exchange for travel abroad. The Octopus controlled the media and decided on senior appointments in the civil service, police and judiciary. Market transactions became political and personal, as credit and jobs were allocated by calculation of mutual advantage. Power networks became tangled webs of bullying, sycophancy and distrust, permeated with a masculinist culture that celebrated the strength of one's hairy right arm.

In the late 1970s and early 80s this traditional order was challenged from within, by a neoliberal faction known as the Locomotive group. It had first coalesced in the early 70s, when some Law and Business Administration students at the University of Iceland took over a journal called *The Locomotive* to promote free-market ideas—and, not least, to open up career opportunities for themselves, rather than wait for Octopus patronage. With the end of the Cold War they found their position strengthened materially and ideologically, as the communists and social democrats lost public support.⁵ The future Independence Party prime minister, *Davíð Oddsson* was a prominent member of the group. Born in 1948, Oddsson was a bullying *bon viveur* from a middle-class background who was elected as an Independence Party councillor to the Reykjavik Municipal Council in 1974; by 1982 he was Mayor of Reykjavik, leading privatization campaigns—including the sell-off of the Municipality's fishing fleet—to the benefit of his Locomotive cronies. In 1991 Oddsson led the Independence Party to victory in the general

⁵ The Locomotive group functioned as a 'shadow elite' in the sense used by Janine Wedel in *Shadow Elite*, New York 2009.

election. He reigned—not too strong a word—as Prime Minister for the next fourteen years, overseeing the dramatic growth of Iceland's financial sector, before installing himself as Governor of the Central Bank in 2004. His Locomotive group protégé Geir Haarde, Minister of Finance from 1998 to 2005, took over as Prime Minister shortly after.

Gearing up

The liberalization of Iceland's economy began in 1994, when accession to the European Economic Area—the free-trade bloc of the European Union countries, plus Iceland, Liechtenstein and Norway—lifted restrictions on cross-border flows of capital, goods, services and people. The Oddsson government then embarked on a programme of selling off state-owned assets and deregulating labour.⁶ Until the late 1990s, however, the financial sector remained small and consisted mainly of publicly owned banks. Privatization began in 1998, implemented in cronyist fashion by Oddsson and Halldór Ásgrímsson, the leader of the Centre Party: Landsbanki was allocated to Independence Party grandees, Kaupthing to their counterparts in the CP, its coalition partner; foreign bidders were excluded. Later a new private bank, Glitnir, was formed from the merger of several smaller ones, with the Ásgeir family as its major shareholder. The new owners of the banks, and their friends, also set up private-equity companies—FI Group, Exista, Samson, Baugur—which, in turn, bought large shareholdings in the three banks. None of these newly minted bankers had much experience in national, let alone international, finance.

The resulting banking system was intensely concentrated—much more than those of the other Nordic countries; it faced no internal competition

⁶ An unintended consequence of liberalizing Iceland's 'insider system' in the 1990s was the emergence of a third capitalist group, outside the Octopus and Locomotive cliques. This included self-made businessmen, who had exploited opportunities in post-communist Russia, and supermarket millionaires, who had managed to bypass the Octopus wholesalers. (Supermarket retailing was an excellent cash cow, because the owners received cash on sale but did not pay suppliers for 90 days.) Oddsson and the Independence Party bosses were outraged when these newcomers failed to respect 'the rules'—Jón Ásgeir, the leading figure of the insurgents, insisting that if he had to contribute money to the Independence Party he would contribute equal amounts to its rivals. Oddsson and his henchmen publicly disparaged the Ásgeirs as 'the barrow boys', referring to their non-establishment origins. Much of his time as Prime Minister was spent plotting how to bring them down. For details—and for a riveting narrative account of the whole Icelandic saga—see Roger Boyes, *Meltdown Iceland*, London 2009.

from foreign banks and, despite being 'private', remained closely linked to politicians. At the turn of the millennium, Iceland roared into international finance aided by two global conditions—abundant cheap credit (thanks to US deficits) and free capital mobility—and three domestic ones: strong political backing for the banks; investment banking merged with commercial banking, so that the former shared the guarantees that the government extended to the latter; and low sovereign debt, which yielded the banks the all-important imprimatur of a high mark from the international credit-rating agencies. Thus empowered, the major shareholders of Landsbanki, Kaupthing, Glitnir and their various spin-offs reversed the earlier political dominance of finance: government policy was now subordinated to their ends.

Oddsson's larger strategy saw finance as the third wheel of the economy, together with fishing and energy (especially for aluminium smelting). In 2001 his chief economic and political advisor produced a paper entitled, 'How to make Iceland the richest country in the world', which envisaged the country as a tax-haven, on the model of Luxembourg, Jersey, Guernsey and their Caribbean counterparts. Work began on a huge, publicly financed hydro-electric dam, one of the biggest construction projects in Europe; it was followed by a massive, privately financed aluminium smelter, owned by Alcoa, and the major expansion of another one. These projects generated huge capital inflows and pushed the trade deficit sky high. Oddsson and friends then relaxed the state-provided mortgage rules, allowing loans for 90 per cent of a property's value. The newly privatized banks rushed to offer even more generous terms. Income tax and VAT rates were lowered, in line with the strategy of turning Iceland into a low-tax international financial centre. Bubble dynamics soon took hold.⁷

Iceland's new banking elite rode the bubble, intent on expanding their ownership of the country's economy, both competing and cooperating with each other. Using their shares as collateral, they proceeded to take out large loans from their own banks, some of which they spent on buying more shares in the same banks, inflating share prices. Their executives were instructed to follow suit. They performed the same task for other clients, including the other banks. Bank A lent to shareholders in Bank B, who bought more shares in B against the shares as collateral, raising B's share price. Bank B returned the favour for shareholders in Bank A. The

⁷ SIC Report, vol. 1, ch. 4, sec. 3, pp. 97–129.

net result was that the share prices of both banks rose, without new money coming in. Depositors, too, were urged to shift their savings into shares, and bank employees spent their evenings telephoning households up and down the country to this end, using tactics that could only be described as predatory lending. The result was to shield major shareholders from risk while yielding them a percentage of the very high profits.

Much of this was ‘Ponzi’ finance, in which the debt could only be refinanced by further borrowings; much of it rested on fake capital, the result of illegal market manipulation. But the unsustainability of the process remained hidden, as the banks established elaborate carousels of co-owned companies in places like Luxembourg, the Isle of Man, the British Virgin Islands, even Cuba, that bought each other’s shares and leveraged up each other’s balance sheets. With their self-dealing concealed, Iceland’s financial institutions seemed to have increasingly strong balance sheets, at least to the inexpert or the incurious. Brokers criss-crossed the country, persuading households to load up on more debt and to convert new or existing króna debt into much lower-interest Swiss francs or Japanese yen. They assured their clients that this was ‘a no-brainer’—‘the króna would have to fall by more than 20 per cent for it not to be, and that’s not going to happen’. The super-abundance of credit allowed people to consume in extravagant celebration of their escape from the earlier decades of credit rationing through political connections. It allowed them to see themselves as ‘independent people’ at last—which may help to explain their ‘happiest in the world’ ranking.

It was by these means that tiny Iceland managed to enter the big-bank league. By the end of 2007, as noted, the combined ‘assets’ of Landsbanki, Kaupthing and Glitnir had increased to almost 800 per cent of GDP. The owners and managers remunerated themselves on an ever-larger scale, effectively robbing the banks from the inside. As they grew richer, they attracted more political support; many came to believe they had the Midas touch. Their private jets, roaring in and out of Reykjavik’s airport, seemed to provide visual and auditory proof to the part-admiring, part-envious population below. Income and wealth inequality surged, helped by government policies that shifted the tax burden to the poorer half of the population.⁸ In the mid-90s, the pattern of overall disposable-income

⁸ Stefán Ólafsson and Arnaldur S. Kristjánsson, ‘Income Inequality in a Bubble Economy: The Case of Iceland 1992–2008’, Luxembourg Incomes Study Conference paper, June 2010.

distribution was comparable to the—relatively egalitarian—Nordic average; in 2007 it was on a par with that of the United States, the most unequal in the developed world.

The bankers reciprocated with large financial contributions to the governing parties. In the run-up to the 2007 election, contributions to the Independence Party amounted to \$77 per vote cast for it; the smaller Centre Party received \$202 per vote cast, not including contributions to individual candidates. Most of the money came from the banks and the fishing barons.⁹ The banks also made large loans to individual politicians: ten of the Althing's 63 MPs took out loans of over 100 million krónur—roughly \$1.5m—between 2005 and 2008.¹⁰ It is thought likely that over half the MPs had loans exceeding 50 million krónur. The Oddsson government, the banks, Iceland's Chamber of Commerce and other bodies mounted a well-orchestrated campaign to present the country as an emerging international financial centre, conveniently situated mid-way between Europe and America.¹¹ The leading Icelandic champion of free-market economics declared in the *Wall Street Journal*, 'Oddsson's experiment with liberal policies is the greatest success story in the world'. The Iceland Chamber of Commerce suggested that Iceland 'stop comparing itself with the other Nordic countries—after all we are in many ways superior to them'.¹²

Tremors

In early 2006, however, worries began to surface in the financial press about the stability of the big banks, which were beginning to have problems raising funds in the money markets. Iceland's current-account deficit had soared from 5 per cent of GDP in 2003 to 20 per cent in 2006, one of the largest in the world. The stock market multiplied itself nine times over between 2001 and 2007. Landsbanki, Kaupthing and Glitnir were operating far beyond the capacity of Iceland's Central Bank to

⁹ Parties in the other Nordic countries do not accept funds from corporations.

¹⁰ SIC Report, vol. 2, Ch.8, sec. 11.2, p. 200, Table 23. One hundred million krónur was more than six times the average household debt at the time.

¹¹ Oddsson had discussed this idea in an interview a few years earlier: see 'Iceland warms to offshore banking', *Financial Times*, 7 April 1998.

¹² See Hannes Gissurarson, 'Miracle on Iceland', *Wall Street Journal*, 29 January 2004; and Icelandic Chamber of Commerce, *Vidskiptathing Íslands 2015*, February 2006, p. 22.

support them as lender of last resort; all the more so since, though their liabilities were real, many of their assets were dubious, and a high proportion of both were denominated in foreign currencies.¹³ In February 2006, Fitch downgraded Iceland's outlook from stable to negative. This triggered what became known as the 2006 'mini-crisis': the króna fell sharply, the value of banks' liabilities in foreign currencies rose, the sustainability of foreign-currency debts became a 'public' problem, the stock market fell and business defaults rose.

The IMF's 2006 country report on Iceland sounded a warning note. The published version began by saying 'Iceland's economic prospects are enviable'. But it went on to qualify the upbeat tone, noting, for example, 'vulnerabilities' that included 'considerable near-term refinancing needs, credit quality, the long-term sustainability of the banks' presence in the domestic mortgage market, and the crossholdings of equity'.¹⁴ Several Icelandic economists warned of big dangers ahead, while the Danske Bank of Copenhagen described Iceland as a 'geyser economy', on the point of exploding.¹⁵ Icelandic bankers and politicians brushed aside the 2006 'mini-crisis' as the result of ignorance. They kept quoting the opening sentence of the IMF report, 'Iceland's economic prospects are enviable', ignoring the later qualifications. Iceland's Central Bank took out a loan to double the foreign-exchange reserves, while the Chamber of Commerce—run, of course, by cronies and representatives of Landsbanki, Kaupthing, Glitnir and their assorted spin-offs—responded with a PR campaign. An expensive report was commissioned from the Columbia Business School economist Frederic Mishkin, which affirmed the stability of the banks with few qualifications.¹⁶ The following year the Chamber of Commerce commissioned another report from Richard

¹³ Willem Buiter and Anne Sibert, 'The Icelandic banking crisis and what to do about it', Centre for Economic Policy Research, October 2008.

¹⁴ IMF, *Staff Report: Iceland*, 13 July 2006. The internal version was more critical, but Prime Minister Haarde and the Finance Minister insisted it be toned down, and the IMF complied. Thus the internal draft described Icelandic banks' balance sheets as growing 'at a staggering pace'; the published version merely 'a remarkable pace'.

¹⁵ Danske Bank, 'Iceland: Geyser Crisis', 2006.

¹⁶ Frederic Mishkin and Tryggvi Herbertsson, 'Financial Stability in Iceland', Reykjavík 2006. Mishkin was paid a fee of \$135,000 for this 35-page report. After September 2008 the paper appeared on Mishkin's CV as 'Financial Instability in Iceland'. Questioned about the title change by documentary film-maker Charles Ferguson, Mishkin dismissed it as a typographical error. See Ferguson's *Inside Job*, 2010, and 'Mishkin resigns: a look back', *Wall Street Journal*, 28 May 2008.

Portes of the London Business School, which reached virtually the same conclusion. Portes and his Icelandic collaborator left the lender-of-last-resort question to the end and then dismissed it in half a page. This was not a question the Chamber or the Reykjavik bankers behind it wanted asked, because the answer was glaringly obvious: the value of the banks' 'assets' at this stage was around eight times greater than Iceland's GDP.¹⁷

Mishkin dismissed the Danske Bank report, saying that it 'talked of Iceland as an emerging-market economy, vulnerable in the same way those economies are vulnerable. When you look closely at the analysis, that view does not hold up.' Portes reiterated that the Icelandic banks had no cause to worry about the 'fundamental soundness' of their business model: 'I think it is very sound and very good'—any 'market turmoil' was 'just prompted by some misplaced misunderstandings' of market analysts.¹⁸ By now Landsbanki, Kaupthing and Glitnir were reliant on short-term borrowings for two-thirds of their total funding. The supply-side economist Arthur Laffer assured the Icelandic business community in late 2007 that fast economic growth with a large trade deficit and ballooning foreign debt were signs of success: 'Iceland should be a model to the world'.¹⁹ The Prime Minister duly informed the 2008 annual meeting of the Central Bank that such eminences as Mishkin and Portes had 'thoroughly confirmed' that economic prospects were good and the banks sound, as quoted in the epigraph to this essay.

IP-SDA coalition

The Icelandic left had meanwhile undergone a series of splits and regroupings. In 1999 the Social Democratic Party, Women's List and a section of the People's Alliance—earlier, a left critic of both NATO and the Warsaw Pact—united in a centre-left list, the Social Democratic Alliance, in a bid to open up a 'normal' two-party system. The People's Alliance left, for its part, joined with the environmentalists to form a Left-Green Movement. One indicator of the left's moral stature has been the repeated re-election of the political scientist Ólafur Ragnar Grímsson, chairman

¹⁷ Richard Portes and Friðrik Baldursson, 'The Internationalization of Iceland's Financial Sector', Reykjavik 2007. Portes's fee for the 65-page report was £58,000: SIC, v. 8, Annex III, p. 3.

¹⁸ The quotes, recorded in 2006 and 2007 respectively, are from Gunnar Sigurðsson's excellent 2010 film about the Icelandic crisis, *Maybe I Should Have*.

¹⁹ Arthur Laffer, 'Overheating is not dangerous', *Morgunblaðið*, 17 November 2007.

of the People's Alliance from 1987 to 1995, as Iceland's President. First elected President in 1996, and returned to office in 2000, 2004 and 2008, Grímsson was a consistent opponent of Oddsson's foreign policy, not least its avid support for Bush's 'Coalition of the Willing' in Iraq. In the Althing elections of 1999 and 2003, the SDA won 17 and 20 seats, respectively, with a 26–31 per cent share of the vote. The Left-Green Movement, with around 10 per cent of the vote, won 6 seats in 1999 and 5 in 2003. Against this, the governing Independence Party–Centre Party coalition had a combined total of 50–60 per cent of the vote, with 38 seats between them in 1999 and 34 in 2003—a working majority in the 63-seat Althing.

The elections of May 2007, however, saw the Centre Party fall from 12 seats to 7, with just under 12 per cent of the vote—beaten into fourth place by the LGM, which won 9 seats and over 14 per cent of the vote. The SDA, with 18 seats and nearly 27 per cent of the vote, seized the opportunity to profit from the Centre Party's lacklustre performance—and share in the prosperity—by itself entering a coalition government with the still-dominant Independence Party (25 seats, 37 per cent of the vote). To the consternation of many of its supporters, SDA leaders ditched their pre-election pledges and gave a ringing endorsement to the continued expansion of the financial sector.²⁰

By this time the inner circle of government could no longer ignore the evidence that the balance sheets of the banks might be cans of worms, and that the interconnectedness of the banks was such that if one failed the others might fail too. Senior ministers established an ad hoc coordination group with officials from the Prime Minister's Office, the Ministry of Finance, Ministry of Banking and Commerce, the Central Bank and the Financial Supervisory Authority of Iceland (FME). The group was to share information and make a contingency plan in the event of a financial crisis. But it had no clear mandate or formal procedures and did little more than throw ideas around. The chair—the Permanent Secretary of the Prime Minister's Office—was notably unenthusiastic about planning

²⁰ The 2007 IP–SDA coalition agreement states: 'The transformation of the Icelandic economy in recent years involves amongst other things increased emphasis on provision of various international services, such as financial services. The government aims to ensure that such services continue to grow here in Iceland and expand into new areas in other markets'. Quoted in SIC Report, vol. 1, ch. 5, sec. 5.2, p. 210. Electoral data from Economic Intelligence Unit, 'Iceland: Country Profile 2008'.

crisis measures. The Special Commission later determined that the group did not report to ministers in any way that could be verified, allowing the latter to evade legal responsibility and later to deny that they knew how serious the problem was becoming.²¹ There was no move by the IP–SDA coalition to strengthen the banks' regulatory framework.

Launching Icesave

Though they had survived the 2006 mini-crisis, Landsbanki, Kaupthing and Glitnir were still carrying huge mismatches between their assets—mostly illiquid, with long maturities—and their short-term liabilities. They continued to have trouble raising money to fund their asset purchases and repay existing debt, largely denominated in foreign currencies. The banks hit upon two methods of solving this problem. The first, pioneered by Landsbanki, was Icesave, an internet-based service that aimed to win retail deposits by offering more attractive interest rates than the high-street banks. Established in Britain in October 2006, and in the Netherlands eighteen months later, Icesave caught the attention of 'best buy' internet finance sites and was soon flooded with deposits. Tens of millions of pounds arrived from Cambridge University, the London Metropolitan Police Authority, even the UK Audit Commission, responsible for overseeing local government funds.

Staff at Landsbanki could hardly believe their good fortune as they watched the numbers going up on their computer screens. There were 300,000 Icesave depositors in Britain alone. The inflood allowed the bank to repay its loans and buy more assets. The fact that the Icesave entities were legally established as 'branches' rather than 'subsidiaries' meant that they were under the supervision of the Icelandic authorities, rather than their hosts. No one worried much that—because of Iceland's obligations as a member of the FEA deposit insurance scheme—its population of 320,000 would be responsible for compensating the depositors abroad in the event of failure, while Landsbanki's shareholders reaped the short-term profits. The other banks, Kaupthing and Glitnir, rushed to get in on the action: in May 2008 alone the regulator received ten applications to establish similar entities abroad.

The second 'solution' to the Icelandic banks' difficulties in raising new funds came to be known as 'love letters'—a novel way to get access to

²¹ SIC Report, vol. 6, pp. 69–245.

liquidity without pledging real assets as collateral. Having exhausted their borrowing capacity from Iceland's Central Bank, the Big Three would sell debt securities to one of the smaller regional banks, which would take these bonds to the Central Bank and borrow against them, without having to supply further collateral; they then lent back to the initiating big bank. The bonds were quickly dubbed 'love letters' in the trade—mere promises. The banks then internationalized the process. Buoyed by their 'strong' balance sheets, the Big Three established subsidiaries in Luxembourg and sold 'love letters' to them. The subsidiaries sold them on to the Central Bank of Luxembourg or the European Central Bank and received cash in return, which they could pass back to the parent bank in Iceland or else use themselves. Between February and April 2008, Landsbanki, Kaupthing and Glitnir increased their borrowings from the Central Bank of Luxembourg by €2.5bn; by the end of June the sum had risen by another €2bn. Of course, none of the Central Banks—Icelandic, Luxembourgish or European—should have accepted one Icelandic bank's debt as collateral against another's borrowing, given their co-dependence.²² Remarkably, at least one of the big banks, Glitnir, received a AAA rating for its bonds from a US credit-rating agency, higher than that of Iceland itself.

Political and regulatory support continued at the highest levels. In March 2008, the IP-SDA government put on yet another PR event for the Big Three in the form of a 'road-show' in Copenhagen, at which Richard Portes and Iceland's SDA Foreign Minister, Ingibjörg Gísladóttir, affirmed the soundness of the country's financial system.²³ (Later, Gísladóttir would claim that banking was the responsibility of the—fellow SDA—Minister for Banking, not in her jurisdiction.) Prior to Icesave's Netherlands launch in May 2008, Landsbanki published a prospectus in which the Chairman of Iceland's Financial Supervisory Authority also announced his confidence in the sector's stability. Such regulatory capture was endemic to the financial system.

²² Anne Sibert, 'Love letters from Iceland: accountability of the Eurosystem', *VoxEU*, 18 May 2010. The Central Bank of Luxembourg menacingly requested the Central Bank of Iceland to remove a link to Sibert's paper from its website.

²³ From the summer of 2005 onwards, Wade gave several public talks in Iceland, warning about the build-up of financial fragility and drawing parallels with the run-up to the East Asian crisis of 1997–98; he was consistently greeted with polite dismissal. See 'Iceland pays the price for financial excess', *Financial Times*, 2 July 2008, and the letter in response from Richard Portes and Friðrik Baldursson, which began, 'Robert Wade gets Iceland very wrong': *Financial Times*, 4 July 2008.

Yet by this stage, many months into the credit crunch, European central banks and the IMF were fully aware of the gathering crisis in Iceland and the international risks it posed. In mid-April 2008 the IMF sent a confidential report to the Haarde government on the need to rein in the banks and how to go about it. In the same month Mervyn King, Governor of the Bank of England, offered Oddsson help in scaling down the banking system, but there was no reply. The Central Bank of Iceland had concluded that scaling down was impossible, and sought only to borrow more foreign-exchange reserves. In May 2008, aware of what an implosion in Reykjavik would do to their own financial sectors, the Central Banks of Denmark, Sweden and Norway reluctantly responded to desperate Icelandic entreaties for credit lines, extracting in return a secret pledge from ministers and Central Bank of Iceland governors to carry out a programme similar to the IMF's of the month before.²⁴ By 15 September 2008, when Lehman Brothers fell, virtually none of it had been put in place.²⁵

The crisis hits

The fall of the Icelandic banks came two weeks later. On 29 September, Glitnir approached Governor Oddsson at the Central Bank for help with its looming liquidity problem. In a bid to restore confidence, Oddsson instructed the Central Bank to buy 75 per cent of Glitnir's shares. The effect, however, was not to boost Glitnir but to undermine confidence in Iceland. The country's rating plunged, and credit lines were withdrawn from Landsbanki and Kaupthing. A run on Icesave's overseas branches began. As the collapse gathered speed, Oddsson moved on 7 October 2008 to peg the króna to a basket of currencies at close to the pre-crisis rate and simultaneously lowered the interest rate (which amounted to pouring petrol on the raging fire). He consulted no one save his protégé, Haarde. Even the Central Bank's chief economist was kept in the dark. In conditions where the currency was already tumbling, the foreign-exchange reserves were exhausted and there were no capital controls, the peg lasted for only a few trading hours; it was perhaps the shortest-lived

²⁴ SIC Report, vol. 1, pp. 223–4.

²⁵ In a final bid to keep the show on the road, Kaupthing announced with great fanfare that a member of the Qatari royal family had bought a 5 per cent stake in the bank, signalling international confidence; it turned out subsequently that the prince had put up no money of his own—Kaupthing had lent it to him, through a third party.

currency peg ever. But it was long enough for cronies-in-the-know to spirit their money out of the króna at a much more favourable rate than they would get later. Inside sources indicate that billions fled the currency in these hours.²⁶ Then the króna was floated—and sank like a stone. On 8 October Gordon Brown muscled in to freeze Landsbanki's UK assets under New Labour's anti-terrorism laws.²⁷ From a peak of around 70 to the euro, the króna, as we have seen, would hit 190 in November 2008. The stock market, bank bonds, house prices and average income went into free-fall.

The IMF arrived in Reykjavik in October 2008 to prepare a crisis-management programme, the first time the Fund had been called in to rescue a developed economy since Britain in 1976.²⁸ It offered a conditional loan of \$2.1bn, to stabilize the króna; the Nordic Central Banks were persuaded to swallow their anger and pledge another \$2.5bn, again with conditions. The IMF approved stringent foreign-exchange controls to stop capital from fleeing: the carry-trade money locked up in króna denominated 'glacier bonds', estimated at about half of Iceland's 2008 GDP, was keen to escape. Interest rates were initially raised to 18 per cent, but soon reduced to their original 15 per cent again. Fiscal tightening was scheduled for 2010–2011. The IMF also backed the British and Dutch governments' demands that Iceland recompense them for their

²⁶ The currency peg has been strangely neglected in the investigation of Iceland's collapse. The mix of panic, ignorance and tactics behind it is not clear. The Governor told the media that he had secured a loan from the Russian Central Bank (big enough, implicitly though not explicitly, to secure the peg); but almost immediately there came an angry Russian denial. The tactic may have involved more than just the opportunity for friends to get their money out of the króna. Senior figures may also have calculated that bringing down Kaupthing, the one bank that looked as if it might survive, would be sweet revenge on the principle of 'If my bank has gone down, yours is coming down too'. At a dinner during the 2007 IMF Annual Meeting in Washington DC, it is known that Oddsson jabbed his finger at Kaupthing's Chairman and said that, if the bank started to denominate its transactions in euros, 'I will take you down'. The currency peg allowed an outflow from Kaupthing, still linked to the Centre Party and rival big men. Landsbanki, with close ties to the Central Bank Governor and the Independence Party, had collapsed just before the peg was introduced. These are murky waters.

²⁷ Jon Danielsson and Gylfi Zoega, 'The collapse of a country', *Risk Research*, 12 March 2009.

²⁸ International Monetary Fund, *Iceland: Request for Stand-By Arrangement*, 25 November 2008. By happy coincidence, the IMF economist appointed to head the office in Reykjavik was Geir Haarde's room-mate at Brandeis in the 1970s.

bail-outs of Icesave depositors, up to the ceiling of the European deposit-guarantee scheme, that is, €20,887 per account.

Iceland's normally placid and consumption-driven population erupted in an angry and adrenalized protest movement, principally targeted at Haarde, Oddsson and their Independence Party cronies, although the SDA's Gísladóttir was considered tarnished, too. Thousands of people of all age groups assembled in Reykjavik's main square on freezing Saturday afternoons to chant, bang saucepans and listen to speeches and songs. Protestors linked arms in a circle around the Althing to demand the government's resignation, and pelted the building with yoghurt and fruit. Every Monday evening, up to a thousand people would cram into Reykjavik's biggest cinema to debate the situation. Petulant government ministers were forced to respond to their questions. Yet the ruling elite kept trying to carry on 'as normal', concealing their conflicts of interest as mere coincidences of personnel. Thus, for example, the Haarde government saw no problem in the fact that the senior State Prosecutor appointed to investigate the banking crisis in December 2008 was the father of the CEO of one of Kaupthing's major holding companies. Similarly, the Justice Minister had seen fit to appoint as Special Prosecutor to the investigation a small-town police chief, whose most notable achievement had been a parking-ticket system.²⁹

Finally, in January 2009, the IP–SDA coalition broke apart, as the Social Democrat leaders took up popular calls for Oddsson to resign as Central Bank Governor, while Haarde still defended his old friend.³⁰ To date, Iceland's remains the only government to have resigned as a result of the global financial crisis. It is also the only country to have shifted distinctly to the left in the aftermath of September 2008. With the Independence Party widely disparaged, and trailing far behind both the SDA and the now highly popular Left–Green Movement in the polls, an interim SDA–LGM government was formed in January 2009 to lead the country until April's

²⁹ The citizens' protest movement demanded that an experienced anti-corruption campaigner, the Norwegian-French Eva Joly, be offered a position as Advisor to the Special Prosecutor. For several months after her appointment in March 2009 Joly was not allocated an office and had to work out of her hotel room.

³⁰ Oddsson was finally forced to resign as Central Bank Governor in February 2009, after angry demonstrations outside the Central Bank building, and the passage of legislation abolishing the current governorships and requiring future incumbents to possess experience of finance and at least a master's degree in economics.

election. Jóhanna Sigurðardóttir, previously the SDA Minister of Social Security and relatively untainted by the crisis, became interim Prime Minister and replaced Gísladóttir as SDA leader. The LGM's Steingrímur Sigfússon became interim Minister of Finance. In the April 2009 election, the SDA won 20 seats and the LGM 14 seats, giving the 'red-red' coalition a narrow working majority. Despite the overwhelming bias of the electoral system in its favour, the Independence Party was reduced to 16 seats, the worst result since its formation in 1929.

The SDA-LGM government came under immediate pressure to repay the crushing Icesave debt, as demanded by the British and Dutch governments; much of the IMF loan was being withheld until Reykjavik agreed to their terms. The Sigurðardóttir government was also divided on whether to apply for full membership of the European Union and Eurozone, with most of the SDA strongly in favour. In addition, Icelanders were expected to repay the giant loan taken out by the Central Bank in 2006, which will mature in 2011. The constraints were all the tighter since the 'love letter' bonds, bought by the Central Bank against no real collateral, effectively rendered it bankrupt. It was recapitalized from the state budget at a cost to taxpayers of 18 per cent of GDP—yet another resource transfer which intensified the existing cuts in public spending on health, education and infrastructure. After long negotiations, Sigurðardóttir and Sigfússon presented the terms they had agreed on the Icesave debt to the Althing, in October 2009: €5.5bn, or 50 per cent of Iceland's GDP, was to be paid to the British and Dutch Treasuries between 2016 and 2023.³¹ There were ructions in the LGM—the party's Minister of Health resigning in protest, five dissidents refusing to vote with the government. The bill was forced through on 30 December 2009, against high feelings in the country. A week later, on 5 January 2010, President Grímsson announced that he would not sign it into law, out of respect for the national sentiment against it. Damagingly for the government, the British and Dutch immediately offered better terms. When the SDA-LGM deal was put to a referendum in March 2010, 93 per cent voted No, less than 2 per cent Yes. Even the SDA-LGM leaders abstained.³² In the May 2010 Reykjavik

³¹ A second tranche of the IMF loan was released in November 2009. The release of a third tranche in April 2010 is said to have been at the insistence of Beijing, against the wishes of London and Amsterdam. On Sino-Icelandic relations see Wade, 'A warmer Arctic needs shipping rules', *Financial Times*, 16 January 2008.

³² New negotiations with Britain and the Netherlands began in the summer of 2010, but at the time of writing the issue remains unresolved.

municipal elections, the SDA slumped to 19 per cent. A comedian was elected as the city's mayor.

Prospects

The postponement of major public-spending cuts until 2011 has given the economy a little breathing-space. So far, Iceland has experienced smaller falls in GDP and employment than big public-spending slashers like Ireland, Estonia and Latvia. The unemployment rate, only 2 per cent in 2006, has hovered between 7 and 9 per cent since the start of 2009; but the rate of outmigration, both of Icelanders and of other (predominantly Polish) European workers, has been the highest since 1889. However, the SDA-LGM government has announced drastic cuts in public spending for 2011. Big construction projects are coming to an end and several of the firms have no new contracts. Local governments have no budget for fresh projects. Hospitals and schools are cutting salaries and beginning to sack employees. The freeze on house repossessions is due to expire in late 2010.

Even after large private-sector write-offs, Iceland's gross public and private foreign debt currently amounts to more than 300 per cent of GDP. Interest payments have already become the biggest item of public expenditure and, as noted, much more debt is coming due. The commercial banks, expensively recapitalized from the public purse, are lending little, preferring to play safe by depositing a large share of their loanable funds with the Central Bank and obtaining a generous interest rate paid, yet again, from the state budget, amplifying the pressure for spending cuts. In addition, in September 2010 Iceland's Supreme Court ruled that the loans indexed to foreign currencies were illegal; the government proposed legislation to cut the debt burden of households, raising the spectre of a second banking collapse. As noted above, these loans were widely promoted to households and companies alike between 2004 and 2008; the principal on them more than doubled when the króna collapsed in 2008. They represent a large share of the restructured banks' and financial companies' portfolios. Meanwhile, a whole variety of entrepreneurial initiatives are under way, as the island seeks to develop new specializations to replace finance; but these are all constrained by the mountain of debt.

The crisis has revealed in stark terms the weakness of accountability. In April 2010 the Special Investigation Commission's report into the

causes of the financial crisis accused three former ministers—Haarde, the prime minister; Árni Mathiesen, the finance minister; and Björgvin Sigurðsson, the minister of banking and commerce—as well as three former Central Bank governors and the Director of the financial regulatory body FME of gross negligence. In September 2010, a parliamentary committee recommended that the three ex-ministers, together with Gísladóttir, the former foreign minister, be charged in the Landsdómur, a special ‘High Court’ never previously convened, with breach of ministerial responsibility. The same committee had suggested to the State Prosecutor’s office in May that the three Central Bank governors and the head of the FME should face criminal charges; but the prosecutor decided within 24 hours that they should not. The Permanent Secretary at the Ministry of Finance was fired, though not for dereliction of official duty but because he had used inside information to sell his large shareholding in one of the banks a few days before the collapse.

The Special Prosecutor’s thirty-strong team, in charge of criminal investigation, has only succeeded in bringing one case—concerning a minor player—to court so far. The governments of Britain and Luxembourg are cooperating, fitfully and hesitantly, perhaps wary of exposing wider wrongdoings at home. The property developer David Rowland and his son are major shareholders in Banque Havilland, the new bank currently being reconstructed on the ruins of Kaupthing’s Luxembourg subsidiary; they are keen to see Iceland ‘move on’ and not keep raking over the past.³³ The Rowlands are also important donors to the British Conservative Party. Far from being held accountable, Oddsson was rewarded in September 2009 with the position of Editor-in-Chief at *Morgunblaðið*, the leading Reykjavik daily, whence he has orchestrated coverage of the crisis—roughly the equivalent, as one commentator has pointed out, of appointing Nixon editor of the *Washington Post* during Watergate.³⁴ The weakness of the current SDA-LGM government will ultimately redound to the benefit of the Independence Party.

Privatized information

What explains the Icelandic debacle? The fall of Lehman Brothers and the resulting paralysis of money markets was the trigger for the final

³³ ‘Rowland family open new bank’, *Daily Telegraph*, 13 July 2009.

³⁴ Thorvaldur Gylfason, ‘From Boom to Bust: the Iceland Story’, in Gylfason et al., eds, *Nordics in Global Crisis*, Helsinki 2010, p. 158.

collapse, of course, but a crash would have come anyway, because of the giant structural imbalances and the overreaching of the financiers. In a way, 9.15 was a blessing: if Iceland's Ponzi dynamic had continued for another year, the fall-out when the bubble finally burst might have caused the first complete bankruptcy of a modern nation, and attendant population flight. Undoubtedly, the bankers' wild behaviour was the central factor. It offers a text-book case of accounting control fraud: they '(a) grew like crazy, (b) made really, really bad loans with high yields, (c) were extraordinarily leveraged, i.e. a lot of debt compared to equity, and (d) maintained no significant loss reserves'.³⁵ In the end, however, the responsibility lies with the Reykjavik government and the Central Bank. The parallels with US and UK politicians and central bankers are obvious: as in Iceland, Clinton, Bush and Greenspan, or Blair, Brown and Mervyn King, remained in denial while their policies pumped up the bubbles, year after year.

It might have been thought that Iceland's tiny scale would make it easier to challenge such denial; but if anything, the opposite was true. The Oddsson government undertook an extreme 'privatization' of information, relying primarily on the research departments of the banks themselves for analysis of the economy and its prospects. Landsbanki, Kaupthing and Glitnir paid much better than any government body; they must therefore attract the best talent. People joined the Central Bank or the FME with the aim of learning enough to cross the street and double their salaries. Why not go straight to those most in the know? Iceland's National Economic Institute had built a reputation for independent thinking and, though responsible to the Prime Minister's office, published unwelcome reports, warning that management of the economy was going haywire. Oddsson abolished it in 2002. The Competition Authority was also abolished after it had criticized the activities of the oil-import companies, closely linked to the Independence and Centre Parties. The Confederation of Industry was threatened by a funding squeeze when it argued in favour of joining the European Union, against the line of the Independence Party and the fishing industry.

In the small Icelandic system, the ruling elite has long held to the dictum that 'peace produced by fear is the most long-lasting'. Policy debate quickly slides from issues to personalities; disagreement is construed as

³⁵ See William Black, *The Best Way to Rob a Bank is to Own One*, Austin, TX 2005; the quote is from a public lecture by Black at the University of Iceland, 3 May 2010.

disloyalty, and therefore suppressed. Statistics Iceland, the public data agency, was notably cowed into suppressing information on soaring income and wealth inequality, and hardly dared to draw attention to unfavourable trends. The University of Iceland bowed to pressures to make its Economic and Social Research centres self-funding—that is, to rely on finding buyers for commissioned research—with the convenient result that they no longer published big-picture reports with a critical edge. (Again, of course, examples could be found elsewhere.) Iceland's Chamber of Commerce also took an active advisory role, commissioning analyses from 'independent' experts like Mishkin and Portes. Meanwhile, Transparency International's Corruption Perceptions Index continued to rank Iceland as the cleanest public administration in the world, an honour shared with New Zealand and Finland; not till 2009 did Iceland get demoted from Transparency International's number one position.

A counter-intuitive change in the economic information available occurred as the bubble developed. When it initially began to swell—first in mergers and acquisitions in 2003, then in housing in 2004—several critical reports were published, not least by the Central Bank. By 2006, as noted, the IMF was toning down its concerns, at the Prime Minister's request and, presumably, on grounds of avoiding adverse 'market reaction'. But by 2007 and 2008, when the dangers had become acute, the reports, including those from the IMF, became noticeably softer in tone. It seems that the official financial institutions, as well as the bankers and politicians, acted on the understanding that the situation had become so fragile that to speak of it might trigger a run on the banks which might otherwise be averted. Bad news had to be kept out, and those who insisted on presenting it dismissed as alarmist and incompetent.

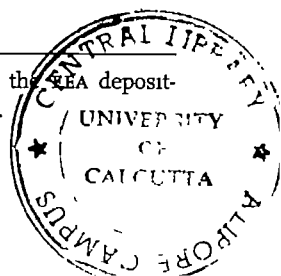
With independent information centres neutralized, the big players of the financial sector were better able to capture the key Ministries and Central Bank; indeed, in such a small pool, one could say that they had all captured each other. The Chamber of Commerce functioned almost literally as the capitalists' executive committee: it has been estimated that at least 90 per cent of its recommendations were translated into legislation. Almost everything the bankers wanted became government policy, and grateful bankers provided grateful politicians with generous rewards. The IP-SDA government's decision to provide unlimited deposit guarantees after the crash illustrates its ultimate beholdenness to the financial elite. Had it limited the guarantee to 5m krónur, roughly

€50,000, it would have protected the entire deposits of 95 per cent of depositors; only the wealthiest 5 per cent benefited from the unlimited guarantee, which now imposes further constraints on public spending.³⁶ Of course, Wall Street routinely supplies the top US Treasury personnel, and the Icelandic guarantees were but a drop in the ocean compared to the Paulson–Geithner bail-outs of Goldman Sachs, Deutsche Bank et al. via the intravenous flows of public funds to AIG.

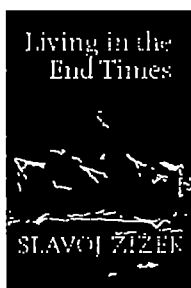
Iceland remains an extreme case of the dynamics that are still playing themselves out in much of the Atlantic world. Other states, too, are now rescuing the banks at the expense of the economy, by rounds of fiscal austerity that will not be compensated by expansion of the private sector. Other states, with IMF support, have agreed to take on private debt and finance its repayment out of taxes, exempting large private creditors from the discipline of the market that they champion for everyone else. Other states, too, have failed to call to account those responsible for the crisis—hardly any financiers anywhere have been prosecuted, let alone their accomplices in the treasuries and central banks. All this leaves a legacy of distrust in the core institutions of capitalism. But perhaps the biggest difference is that financial sectors elsewhere are now reasserting their dominance over their economies. Iceland has many problems ahead, but at least its banks are unlikely to run wild again.

20 September 2010

³⁶ SIC Report, vol. 5, p. 241, table 4. It should be noted that the FEA deposit-guarantee scheme only covers up to the equivalent of 3m krónur.



NEW FROM VERSO



LIVING IN THE END TIMES

Slavoj Žižek

HB • \$29.95/£20/\$37.50CAN • 978-1-84467-598-2

'A wide-ranging, often revelatory, frequently bewildering work.'—*Daily Telegraph*

Žižek applies the psychologist Elisabeth Kübler-Ross's 'five stages of grief' to analysis of the contemporary economic crisis, concluding that acceptance of the impending demise of neoliberalism provides cause for hope and new political beginnings.



UNFINISHED PROJECTS

*Decolonization and the Philosophy
of Jean-Paul Sartre*

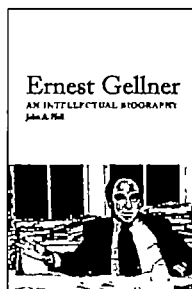
Paige Arthur

PB • \$24.95/£14.99/\$31CAN • 978-1-84467-399-5
HB • \$110/£60/\$137.50CAN • 978-1-84467-398-8

Arthur follows the development of Sartre's thinking from the end of the Second World War to his death in 1980. The book situates Sartre's philosophy alongside his political engagements—with decolonization, especially in Algeria and Vietnam—and reads his works as attempts to develop theory for the postwar struggles.

V
V E R S O

NEW FROM VERSO



ERNEST GELLNER

An Intellectual Biography

John A. Hall

HB • \$49.95/£29.99/\$62.50CAN • 978-1-84467-602-6

'Gellner has been brought back to life in a sympathetic but by no means reverential biography.'—*Wall Street Journal*

This account of anthropologist and philosopher Gellner's life moves from his childhood in 1930s Czechoslovakia to his wartime service and emigration to the UK, before focusing on his oeuvre and his rich debates with intellectuals at Cambridge and the LSE in the second half of the 20th century.



THE INVENTION OF THE JEWISH PEOPLE

New in paperback

Shlomo Sand

PB • \$16.95/£9.99 • 978-1-84467-623-1

'Both a welcome and, in the case of Israel, much needed exercise in the dismantling of nationalist historical myth.'—*Eric Hobsbawm*

'No discussion of the Middle East any longer seems complete without acknowledgement of Sand's book.'—*Independent on Sunday*

V
VERSO

INTRODUCTION TO ADORNO & HORKHEIMER

A life-long intellectual partnership between two major thinkers, so close that their most celebrated single texts were co-authored and their names are difficult to dissociate, is rare enough to rank as virtually a sport of history. There seem to be only two cases: in the 19th century, Marx and Engels, and in the 20th Horkheimer and Adorno. Might they be regarded as prefigurations of what in a post-bourgeois world would become less uncommon? Their patterns differed. Marx and Engels, born two years apart, were contemporaries; once their friendship was formed, collaboration between them never ceased. Adorno was eight years Horkheimer's junior, and a close working relationship came much later, with many more vicissitudes: initial meeting in 1921, intermittent friction and exchange up to the mid-1930s, concord only in American exile from 1938 onwards, more pointedly distinct identities throughout. The general trajectory of the Frankfurt Institute for Social Research is well known, as over time 'critical theory'—originally Horkheimer's code-word for Marxism—confined itself to the realms of philosophy, sociology and aesthetics; to all appearances completely detached from politics. Privately it was otherwise, as the exchange below makes clear.

This unique document is the record, taken down by Gretel Adorno, of discussions over three weeks in the spring of 1956, with a view to the production of—as Adorno puts it—a contemporary version of *The Communist Manifesto*. In form it might be described, were jazz not anathema to Adorno, as a philosophical jam-session, in which the two thinkers improvise freely, often wildly, on central themes of their work—theory and practice, labour and leisure, domination and freedom—in a political register found nowhere else in their writing. Amid a careening flux of arguments, aphorisms and asides, in which the trenchant alternates with the reckless, the playful with the ingenuous, positions are swapped and contradictions unheeded, without any compulsion for consistency. In substance, each thinker reveals a different profile. Horkheimer, historically more politicized, was by now the more conservative, imbibing *Time* on China, if not yet to the point where he would commend the Kaiser for warning of the Yellow Peril. Though still blaming the West for what went wrong with the Russian Revolution, and rejecting any kind of reformism, his general outlook was now close to Kojève's a decade later: 'We can expect nothing more from mankind than a more or less worn-out version of the American system'. Adorno, more aesthetically minded, emerges paradoxically as the more radical: reminding Horkheimer of the need to oppose Adenauer, and envisaging their project as a 'strictly Leninist manifesto', even in a period when 'the horror is that for the first time we live in a world in which we can no longer imagine a better one'.

TOWARDS A NEW MANIFESTO?

I. THE ROLE OF THEORY

March 1956

HORKHEIMER: Labour is what mediates between human beings. The 'process of civilization' has been fetishized.¹

ADORNO: In Marx's chapter on fetishism, the social relation appears in the form of the exchange principle, as if it were the thing in itself.

HORKHEIMER: The instrument becomes the main thing.

ADORNO: But our task is to explain this by speculating on labour's ultimate origins, to infer it from the principle of society, so that it goes beyond Marx. Because exchange value seems to be absolute, the labour that has created it seems to be absolute too, and not the thing for whose sake it basically exists. In actuality the subjective aspect of use value conceals the objective utopia, while the objectivity of exchange value conceals subjectivism.

HORKHEIMER: Work is the key to making sure that 'all will be well'. But by elevating it to godlike status, it is emptied of meaning.

ADORNO: How does it come about that work is regarded as an absolute? Work exists to control the hardships of life, to ensure the reproduction of mankind. The success of labour stands in a problematic relationship to the effort required. It does not necessarily or certainly reproduce the lives of those who work but only of those who induce others to work for them. In order to persuade human beings to work you have to fob them off with the waffle about work as the thing in itself.

HORKHEIMER: That's how it is among the bourgeoisie. This was not the attitude of the Greeks. The young worker on the motorbike treats work as his god because he enjoys riding the bike so much.

ADORNO: But even if he really does enjoy it, that subjective happiness still remains ideology.

HORKHEIMER: But if you were to tell him about our idea that it is supposed to be enjoyable, he would find that hard to understand and would rather we left him in peace.

ADORNO: All that is delusion.

HORKHEIMER: Yes and no. It really does call for great effort.

ADORNO: So does riding a motorbike.

HORKHEIMER: That is an objectively measurable effort; he is happy to make it. His true pleasure in motorbike riding is in the anal sounds it emits. We just look foolish if we try to give explanations that are too precise.

ADORNO: Work figures as early as the Bible.

HORKHEIMER: Initially as the exchange principle.

ADORNO: But it is still unclear why work should be cathected in the first place.

HORKHEIMER: It is also the worst punishment for someone not to be allowed to work at all.

ADORNO: Concentration camps are a key to all these things. In the society we live in all work is like the work in the camps.

HORKHEIMER: Take care, you risk coming close to the idea of enjoying work. The uselessness of the work and derision deprive people of the last bit of pleasure they might obtain from it, but I do not know if that is the crucial factor. No ideology survives in the camps. Whereas our society still insists that work is good.

ADORNO: How does work come to be an end in itself? This dates back to a time far earlier than capitalism. Initially, I suppose, because society reproduced itself through labour, but then in each individual case the relation between concrete labour and reproduction is opaque. In socially useful labour people have to forget what it is good for. The abstract necessity of labour is expressed in the fact that value is ascribed to labour in itself.

HORKHEIMER: I do not believe that human beings naturally enjoy working, no matter whether their work has a purpose or not.

¹ What follows are extracts from a transcript of discussions between Adorno and Horkheimer, dated between 12 March and 2 April 1956, which took place in Frankfurt. Reprinted with permission of Fischer Verlag from Max Horkheimer, *Gesammelte Schriften*, vol. 19: *Nachträge, Verzeichnisse und Register*, Frankfurt 1996, pp. 37–71. Section headings and footnotes are by the volume's editor, Gunzelin Schmid Noerr, unless otherwise indicated.

Originally, the position of man is like that of a dog you want to train. He would like to return to an earlier state of being. He works in order not to have to work. The reification of labour is a stage in the process that enables us to return to childhood, but at a higher level.

ADORNO: It has a positive and a negative side. The positive side lies in the teleology that work potentially makes work superfluous; the negative side is that we succumb to the mechanism of reification, in the course of which we forget the best thing of all. That turns a part of the process into an absolute. But it is not an aberration, since without it the whole process wouldn't function.

HORKHEIMER: It is not just a matter of ideology, but is also influenced by the fact that a shaft of light from the *telos* falls onto labour. Basically, people are too short-sighted. They misinterpret the light that falls on labour from ultimate goals. Instead, they take labour qua labour as the *telos* and hence see their personal work success as that purpose. That is the secret. If they did not do that, such a thing as solidarity would be possible. A shaft of light from the *telos* falls on the means to achieve it. It is just as if instead of worshipping their lover they worship the house in which she dwells. That, incidentally, is the source of all poetry.

ADORNO: The whole of art is always both true and false. We must not succumb to the ideology of work, but we cannot deny that all happiness is twinned with work.

HORKHEIMER: The shaft of light must be reflected back by an act of resistance.

ADORNO: The animal phase in which one does nothing at all cannot be retrieved.

HORKHEIMER: Happiness would be an animal condition viewed from the perspective of whatever has ceased to be animal.

ADORNO: Animals could teach us what happiness is.

HORKHEIMER: To achieve the condition of an animal at the level of reflection—that is freedom. Freedom means not having to work.

ADORNO: Philosophy always asserts that freedom is when you can choose your own work, when you can claim ownership of everything awful.

HORKHEIMER: That's the product of fear. In the East they have realized that freedom of this sort is not such a big deal, and that's why they have chosen slavery instead. The main point there is that justice

should prevail; they set no store by freedom. Freedom would mean reverting to a diffuse state of affairs at a higher level. Since civilization is identical with labour, idolizing the one is as bad as idolizing the other. The chaotic, the diffuse—that would be happiness.

2. WORK, SPARE TIME AND FREEDOM—I

12 March, AM

HORKHEIMER: Teddie wants to rescue a pair of concepts: theory and practice. These concepts are themselves obsolete.

ADORNO: Discrepancy between murdering the Jews, burying them alive because they weren't worth the second bullet, and the theory that is expected to change the world.

HORKHEIMER: Two opposing beliefs: the faith in progress, cherished also by Marxism, and the view that history cannot achieve it.

ADORNO: But that is not the nub of the disagreement between us.

HORKHEIMER: Your view is that we should live our lives in such a way that things will get better in a hundred years. That's more or less what the parson says too.

ADORNO: Our disagreement is about whether history can succeed or not. How are we to interpret the 'can'? On the one hand, the world contains opportunities enough for success. On the other hand, everything is bewitched, as if under a spell. If the spell could be broken, success would be a possibility. If people want to persuade us that the conditional nature of man sets limits to utopia, that is simply untrue. The possibility of a completely unshackled reality remains valid. In a world in which senseless suffering has ceased to exist, Schopenhauer is wrong.

HORKHEIMER: In the long run things cannot change. The possibility of regression is always there. That means we have to reject both Marxism and ontology. Neither the good nor the bad remains, but the bad is more likely to survive. The critical mind must free itself from a Marxism which says that all will be well if only you become a socialist. We can expect nothing more from mankind than a more or less worn-out version of the American system. The difference between us is that Teddie still retains a certain penchant for theology. My own thoughts tend to move in the direction of saying that good

people are dying out. In the circumstances, planning would offer the best prospect.

ADORNO: If the result of planning was that beggars would cease to exist, then planning itself would shed its rigidity, and decisive change would be the result.

HORKHEIMER: Perhaps, but a relapse into barbarism is no less conceivable.

ADORNO: Relapse into barbarism is always an option. If the world were so planned that everything one does served the whole of society in a transparent manner, and senseless activities were abandoned, I would be happy to spend two hours a day working as a lift attendant.

HORKHEIMER: An assertion of that kind leads us directly to reformism.

ADORNO: Reform of the administration cannot be brought about by peaceful means.

HORKHEIMER: That is not so important. After the revolution there will be no certainty that it won't relapse once again. Both Marxism and the bourgeois world take good care to make sure that people cannot revert to the pre-civilized phase, the phase in which man has sought refuge from work by reverting to childhood.

ADORNO: Spare time activities.

HORKHEIMER: Man is worth something only as long as he works. This is where the concept of freedom comes in.

ADORNO: Freedom from work.

HORKHEIMER: Freedom is not the freedom to accumulate, but the fact that I have no need to accumulate.

ADORNO: That's something you can find in Marx. On the one hand, Marx imagined liberation from work. On the other, social labour is seen in a very bright light. The two ideas are not properly articulated. Marx did not criticize the ideology of labour, because he needed the concept of labour in order to be able to settle accounts with the bourgeoisie.

HORKHEIMER: We are in need of a dialectic here. People repress their own chaotic drives which might lead them away from work. This is what makes them feel that work is sacred.

ADORNO: The idea of freedom from labour is replaced by the possibility of choosing one's own work. Self-determination means that within

the division of labour already laid down I can slip into the sector that promises me the greatest rewards.

HORKHEIMER: The idea that freedom consists in self-determination is really rather pathetic, if all it means is that the work my master formerly ordered me to do is the same as the work I now seek to carry out of my own free will; the master did not determine his own actions.

ADORNO: The concept of self-determination has nothing to do with freedom. According to Kant, autonomy means obeying oneself.

HORKHEIMER: A misunderstanding of feudalism.

ADORNO: A necessary false consciousness, ideology.

HORKHEIMER: German idealism, bourgeois ideology: the absolute positing of the semblance of self-determination in feudalism from the standpoint of the bourgeoisie.

ADORNO: Transcendental apperception:² labour made absolute. Labour, which is a prescribed relationship within society, is reinterpreted to signify freedom.

HORKHEIMER: Barbaric punishments in the Soviet Zone for people who fail to fulfil their norms. This is directly connected to the ideology of consumption in both halves of the world. The opposite of work is regarded as nothing more than consumption.

ADORNO: Karl Kraus said that man was not created as a consumer or as a producer but as a human being.³

HORKHEIMER: Nowadays people prefer to talk of social partners.

ADORNO: All antitheses are put into the same basket nowadays.

HORKHEIMER: We are in favour of the chaotic, of that which has not been included.

ADORNO: You can't advocate the chaotic. Example of Engels's stuffiness.

HORKHEIMER: We have not yet discovered why it has always been supposed to be so terrible in bourgeois society, as far back as Rome, for a man inflamed by desire to touch a woman's body. It is connected with the best and the worst in them. The revulsion from

² In Kant this is the purely formal, original, constantly identical self-consciousness that is presupposed in all ideas and concepts. See the *Critique of Pure Reason*, trans. Paul Guyer and Allen W. Wood, §16, 'On the original synthetic unity of apperception', Cambridge 1997, p. 246ff.

³ Karl Kraus, *Die Fackel*, Nos. 406–412, 5 October 1915, p. 96.

the world of exchange has found refuge there. The non-bourgeois is supposed to preserve itself in love.

ADORNO: I suppose that bourgeois sexual taboos are connected with the *jus primae noctis*. Women should acquire the right to dispose of their own bodies. Human beings become their own property. That is threatened by sexuality and this sets the scene for the perennial war between the sexes.

HORKHEIMER: Kant's definition of marriage.⁴ Love probably contains the false negation of bourgeois society.

ADORNO: It negates it in an impotent fashion, perpetuating it through its negation.

HORKHEIMER: The world is dominated by one long hymn to work, but this too is not merely negative. Machiavelli.

ADORNO: Happiness is connected to work.

HORKHEIMER: The worst thing is to mix up work and happiness.

ADORNO: Effort is an integral part of sexual happiness. It is true enough that work is also happiness, but one isn't allowed to say so. Or do we only find happiness in our work because we ourselves are bourgeois?

HORKHEIMER: Freud. Death-drive.

3. WORK, SPARE TIME AND FREEDOM—II

12 March, PM

HORKHEIMER: Thesis: nowadays we have enough by way of productive forces; it is obvious that we could supply the entire world with goods and could then attempt to abolish work as a necessity for human beings. In this situation it is mankind's dream that we should do away with both work and war. The only drawback is that the Americans will say that if we do so, we shall arm our enemies. And in fact, there is a kind of dominant stratum in the East compared to which John Foster Dulles is an amiable innocent.

ADORNO: We ought to include a section on the objection: what will people do with all their free time?

⁴ According to Kant, marriage is 'the union of two persons of different sexes for lifelong possession of each other's sexual attributes': *Metaphysics of Morals*, ed. Mary Gregor, Cambridge 1996, p. 62.

HORKHEIMER: In actual fact their free time does them no good because the way they have to do their work does not involve engaging with objects. This means that they are not enriched by their encounter with objects. Because of the lack of true work, the subject shrivels up and in his spare time he is nothing.

ADORNO: Because people have to work so hard, there is a sense in which they spend their spare time obsessively repeating the rituals of the efforts that have been demanded of them. We must not be absolutely opposed to work.

HORKHEIMER: We ought to construct a kind of programme for a new form of practice. In the East people degenerate into beasts of burden. Coolies probably had to do less work than today's workers in 6-7 hours.

ADORNO: 'No herdsman and one herd.'⁵ A kind of false classless society. Society finds itself on the way to what looks like the perfect classless society but is in reality the very opposite.

HORKHEIMER: That's too reactionary. We still have to say something to explain why mankind has to pass through this atomistic stage of civilization. Nowadays people say: treat us nicely and productivity will rise. The fact that this is said openly is worth a good deal in itself.

ADORNO: The reason why this entire question of spare time is so unfortunate is that people unconsciously mimic the work process, whereas what they really want is to stop working altogether. Happiness necessarily presupposes the element of effort. Basically, we should talk to mankind once again as in the eighteenth century: you are upholding a system that threatens to destroy you. The appeal to class won't work any more, since today you are really all proletarians. One really has to think about whom one is addressing.

HORKHEIMER: The Western world.

ADORNO: We know nothing of Asia.

HORKHEIMER: What are we to say to the Western world? You must deliver food to the East?

ADORNO: The introduction of fully fledged socialism, Third Phase in the various countries. Everything hinges on that. What about the *Communist Manifesto* as a theme for variations?

⁵ 'No herdsman and one herd. Everyone wants the same thing. Everything is the same; whoever thinks otherwise goes voluntarily into the madhouse.' Friedrich Nietzsche, *Thus Spoke Zarathustra*, Harmondsworth 1961, p. 46.

HORKHEIMER: The world situation is that everything seems to be improving, but the world's liberators all look like Cesare Borgia.

ADORNO: I have the feeling that, under the banner of Marxism, the East might overtake Western civilization. This would mean a shift in the entire dynamics of history. Marxism is being adopted in Asia in much the same way as Christianity was taken up in Mexico at one time. Europe too will probably be swallowed up at some point in the future.

HORKHEIMER: I believe that Europe and America are probably the best civilizations that history has produced up to now as far as prosperity and justice are concerned. The key point now is to ensure the preservation of these gains. That can be achieved only if we remain ruthlessly critical of this civilization.

ADORNO: We cannot call for the defence of the Western world.

HORKHEIMER: We cannot do so because that would destroy it. If we were to defend the Russians, that's like regarding the invading Teutonic hordes as morally superior to the [Roman] slave economy. We have nothing in common with Russian bureaucrats. But they stand for a greater right as opposed to Western culture. It is the fault of the West that the Russian Revolution went the way it did. I am always terribly afraid that if we start talking about politics, it will produce the kind of discussion that used to be customary in the Institute.

ADORNO: Discussion should at all costs avoid a debased form of Marxism. That was connected with a specific kind of positivist tactic, namely the sharp divide between ideas and substance.

HORKHEIMER: That mainly took the form of too great an insistence on retaining the terminology.

ADORNO: But this has to be said. They still talk as if a far-left splinter group were on the point of rejoining the Politburo tomorrow.

HORKHEIMER: What are the implications of that for our terminology? As soon as we start arguing with the Russians about terminology we are lost.

ADORNO: On the other hand, we must not abandon Marxist terminology.

HORKHEIMER: We have nothing else. But I am not sure how far we must retain it. Is the political question still relevant at a time when you cannot act politically?

ADORNO: On the one hand, it is ideology, on the other, all processes that might lead to change are political processes. Politics is both ideology and genuine reality.

HORKHEIMER: You spoke in the subjunctive; you evidently do not really believe in these processes.

ADORNO: My innermost feeling is that at the moment everything has shut down, but it could all change at a moment's notice. My own belief is as follows: this society is not moving towards a welfare state. It is gaining increasing control over its citizens but this control grows in tandem with the growth in its irrationality. And the combination of the two is constitutive. As long as this tension persists, you cannot arrive at the equilibrium that would be needed to put an end to all spontaneity. I cannot imagine a world intensified to the point of insanity without objective oppositional forces being unleashed.

HORKHEIMER: But I can. Because mankind is destroying itself. The world is mad and will remain so. When it comes down to it, I find it easy to believe that the whole of world history is just a fly caught in the flames.

ADORNO: The world is not just mad. It is mad and rational as well.

HORKHEIMER: The only thing that goes against my pessimism is the fact that we still carry on thinking today. All hope lies in thought. But it is easy to believe that it could all come to an end.

ADORNO: And that no one will carry on thinking. But even Mr Eisenhower will be unable to choose Nixon as his running mate for fear of a preventive war.⁶

HORKHEIMER: Perhaps. But what is that compared to the murder of twenty million Chinese?⁷

ADORNO: The fact is that there is an authority that has the potential to prevent total catastrophe. This authority must be appealed to. It is the instinct in American voters that would refuse to tolerate Richard Nixon as Vice President.

HORKHEIMER: That is a reformist position.

ADORNO: I have the feeling that what we are doing is not without its effect.

⁶ Presumably a reference to the 1956 US Presidential election.

⁷ Horkheimer is probably referring to a blood-curdling *Time* magazine cover story: 'China: High Tide of Terror', 5 March 1956; he kept a copy of this issue in his archive. [NLR]

HORKHEIMER: More or less, depending on whether we have a clear idea of what ought to be done. We cannot rely on the assumption that people will still have any memories of socialism. That can easily lead to arrogant criticism of the kind practised by Marx and Karl Kraus, where you have the feeling that their criticism is based on a mistaken theory. That only strengthens the wicked. What is dubious about Kraus is a kind of crowing, because whatever underlies his position is not something we can approve of. We have to defend the view that the West should produce so that no one will go hungry.

ADORNO: This must first be applied to the West itself.

4. THE IDEA OF MANKIND

13 March, AM

HORKHEIMER: I do not believe that things will turn out well, but the idea that they might is of decisive importance.

ADORNO: That is connected with rationality. Human beings do things in a far more terrible way than animals, but the idea that things might be otherwise is one that has occurred only to humans.

HORKHEIMER: Individual humans, not mankind.

ADORNO: Isn't that really a matter of chance? What is crucial is that the species is so constituted that it carries forward the idea of permanence, and this drives it on to the further idea that violence is not necessary. Once you start to reflect on the motif of self-preservation, you must necessarily go beyond it, because you will soon realize that uninhibited self-preservation always ends up in destruction.

HORKHEIMER: I find it repellent for people to believe that if only everyone could agree, something essential would have been achieved. In reality, the whole of nature should tremble at the thought. The truth is, on the contrary, that all will be well only as long as they keep one another in check.

ADORNO: That would be true of the fraternization among the leaders, a world monopoly. It would be better if the peoples could achieve it.

HORKHEIMER: That would be just as bad. Every new generation has to become civilized all over again.

ADORNO: I don't believe that entirely. I believe that there is a kind of progressive process of higher differentiation. People only become Khrushchevs because they keep getting hit over the head.

HORKHEIMER: That is exactly Herbert Marcuse's position.

ADORNO: I do not believe that human beings are evil when they come into the world.

HORKHEIMER: They are neither good nor evil. They just want to survive.

ADORNO: They are not as bad as all that by nature.

HORKHEIMER: The way it has always been formulated hitherto is a superstition. Superstition is always the belief in evil. It is not the case that human beings will end up understanding one another and everything will be idyllic. But we have to rescue the idea you have put forward there.

ADORNO: Isn't what human beings do to nature a projection of what they do to one another? Hitting out at the outside world because they are always being humiliated?

HORKHEIMER: It's possible. The impotence of this idea is connected with the fact that up to now it has always been poorly formulated. It is perhaps necessary to give conscious expression to an error in which one believes. As Kant said: one really has to believe, in opposition to one's own reason.⁸

ADORNO: In his writings the attempts at mediation are very artificial.

HORKHEIMER: Our question is, in whose interest do we write, now that there is no longer a party and the revolution has become such an unlikely prospect? My answer would be that we should measure everything against the idea that all should be well. We shall probably be unable to do anything else. It is all tied up with language. Everything intellectual is connected to language. It is in language that the idea that all should be well can be articulated.

ADORNO: In Marx language plays no role, he is a positivist. Kant is not only ideology. His work contains at some level an appeal to the species, to mankind as opposed to the limitations of the particular. In his philosophy the idea of freedom is defined as the idea of

⁸ In the Preface to the second edition of the *Critique of Pure Reason*, Kant states: 'Thus I had to deny knowledge in order to make room for faith . . . ' *Critique of Pure Reason*, p. 117.

mankind. There is also the implied statement that the question about whether humans are merely natural beings is essentially tied to the relation to nature that characterizes the isolated individual. He had already noticed that the concept of freedom does not lie in the isolated subject, but can be grasped only in relation to the constitution of mankind as a whole. Freedom truly consists only in the realization of humanity as such.

5. THE FALSE ABOLITION OF WORK

15 March, AM

HORKHEIMER: The bourgeois do not succeed entirely in being feudal; they create their own nobility through their labour. I believe that people can pass beyond something only when they are completely captivated by it ideologically. This explains the hymns to labour and the fact that people are so passionate about riding motorbikes. People are nothing more than workers.

ADORNO: They feel that their own congealed labour power is at their disposal. Pleasure in bike riding: DIY, moving around quickly.

HORKHEIMER: Speed is an aspect of work, speeding things up.

ADORNO: The enjoyment of speed is a proxy for the enjoyment of work.

HORKHEIMER: Prison labour. When work is used as a punishment it is hard to prevent it from becoming a pleasure despite everything. You have to make it as unpleasant as possible.

ADORNO: The more superfluous a job of work is, the worse it becomes, the more it degenerates into ideology.

HORKHEIMER: And the more it is misapplied. Work today is not superfluous as long as people still go hungry. Work is perverted. Automation. We should take greater care to help others, to export the right goods to the right people, to seek cures for the sick. Nowadays there is a false abolition of work.

ADORNO: It amounts to production for its own sake.

HORKHEIMER: I couldn't care less about sending spacecraft to the moon.

ADORNO: There is nothing sacred about technology.

HORKHEIMER: Marx already has the idea that in a false society, technology develops wrongly.

ADORNO: There are countless fields where technology could be properly applied. The goods made available nowadays are a kind of pseudo-consumer goods; exchange value is substituted for use value.

HORKHEIMER: People like advertisements. They do what the ads tell them and they know that they are doing so. American magazines and comics.

ADORNO: If I had said to my father that mass culture is untrue, he would have answered: but I enjoy it. Renunciation of utopia means somehow or other deciding in favour of a thing even though I know perfectly well that it is a swindle. That is the root of the trouble.

HORKHEIMER: Because the strength you need to do the right thing is kept on a leash. If we formulate the issues just as we speak, it all sounds too argumentative. People might say that our views are just all talk, our own perceptions. To whom shall we say these things?

ADORNO: We are not proposing any particular course of action. What we want is for people who read what we write to feel the scales falling from their eyes.

HORKHEIMER: People will say, well, this is just philosophers talking. Or else, you have to be like Heidegger and speak like an oracle. We have to solve the problem of theory and practice through our style. We have to make sure that people don't just say, 'My God, the things they say make everything sound very bad, but they don't really mean it like that, even when they shout and curse.' This is all connected with the fact that a party no longer exists.

ADORNO: I see no way out, apart from making these considerations explicit. There is a particular way of writing that offends against specific taboos. You have to find the point that wounds. Offending against sexual taboos.

HORKHEIMER: Marcuse, take care.

ADORNO: The focus on genitality has an element of hostility to pleasure.

HORKHEIMER: I take the opposite view. The more eager one is to break the taboo, the more harmless it is. The more specific your aim, the more powerful the effect. Join the CDU, but make that possible also for deserters. One must be very down to earth, measured and considered so that the impression that something or other is not possible does not arise. We have to actualize the loss of the party by saying, in effect, that we are just as bad as before but that we are playing on the instrument the way it has to be played today.

ADORNO: There is something seductive about that idea—but what is the instrument?

HORKHEIMER: If we could only say that we are fighting a rearguard action. We could perhaps indicate that people are not yet fully aware that they are heading for a situation compared to which Nazism was a relatively modest affair. If we were to tell the Social Democrats today that they should become Communists, that would be quite harmless. But if we were to tell them that they had betrayed bourgeois ideals, that would cease to be so harmless, because the Social Democrats represent the good conscience of our world. We don't want people to say that our writings are so terribly radical. Whoever does not work should not be allowed to eat—that's the point at which we must attack the Social Democrats. We must not say 'you did not want the dictatorship of the proletariat', but 'you have betrayed mankind'. Simply to utter the words 'dictatorship of the proletariat' is to form an alliance with Carlo Schmid and Mao Zedong.⁹

ADORNO: *Nomina sunt odiosa*, names hurt.

HORKHEIMER: The radicality of the formulation deprives the statement of its radicality.

6. POLITICAL CONCRETENESS

15 March, PM

HORKHEIMER: A Bonaparte will emerge in Russia who will conquer the whole of Europe, and in 500 years everything will be just fine. That's Marcuse's way of thinking.

ADORNO: Perhaps in a time to come another party will come into being in one country or another.

HORKHEIMER: We cannot leave open the question of what we believe in. The section on work should contain an excursus on the Utopians. For Marx the only yardstick was the restriction of labour time. We have a much more paradoxical view of that.

ADORNO: The Utopians were actually not very utopian at all. But we must not provide a picture of a positive utopia.

HORKHEIMER: Especially when one is so close to despair.

⁹ Carlo Schmid (1896–1979): leading member of the Social Democratic Party.

ADORNO: I wouldn't say that. I believe that because everything is so obvious a new political authority will emerge.

HORKHEIMER: Listeners must be able to hear from the tone that all we can do is simply to say this without adding anything.

ADORNO: The belief that it will come is perhaps a shade too mechanistic. It *can* come; whether it will come or whether it will go to the dogs is terribly hard to predict.

HORKHEIMER: Everything we are discussing is far too abstract for my liking. What view, for example, are we to take of America?

ADORNO: We have to add that we believe that things can come right in the end.

HORKHEIMER: People want us to be far more outspoken. Our critique must make it clear that nothing will happen unless some people or other make it happen. Our style must reveal what we think should happen. We ought to write in the style of a possible opposition within the Communist Party. Should we be for or against America? For or against the emergence of a European union? To ridicule American consumerism is disgraceful unless the reader can somehow pick up how such matters should be regarded. Otherwise, it is merely abuse. My instinct is to say nothing if there is nothing I can do. In your view, our task is at the very least to bring out the utopia in the negative picture. I should like to drive things forward to the point where there is greater clarity in the relationship between that utopia and the present reality.

ADORNO: If I prefer to write about music that is because I have all the mediating categories at my disposal. The same could be said of philosophy. But we do not possess such categories in dealing with the internal developments of the political parties in the different countries. One ought to apply them in the areas where one's own experience has the greatest relevance. How would it be if we were to formulate some guiding political principles today?

HORKHEIMER: If we are to present ourselves with such ambitions, we have to be clear about the yardsticks we are applying, otherwise Marx will keep reappearing at the seams. We want the preservation for the future of everything that has been achieved in America today, such as the reliability of the legal system, the drugstores, etc. This must be made quite clear whenever we speak about such matters.

ADORNO: That includes getting rid of TV programmes when they are rubbish.

HORKHEIMER: In the first place, it is fantastically difficult to find out what these TV programmes mean for the workers today. In Germany it is probably the most progressive workers who buy TV sets. Secondly, it is already pretty obvious that in German eyes relations with America are already suspect, not those with Russia. We will have to include a sentence or two to the effect that even if American TV programmes are very similar to Russian ones, they do not directly advocate murder. We have to distinguish clearly between our attitudes towards the different countries.

ADORNO: We must somehow manage to suggest such things rather than say them directly.

HORKHEIMER: The Russians are already halfway towards fascism.

ADORNO: If German hearts warm more towards the Russians, that is not just a negative fact. They think the Russians stand for socialism. People are as yet unaware that the Russians are fascists, especially ordinary people. The industrialists and bankers are well aware of it. As for the Americans, people believe that money is the only thing that matters to them.

7. CRITIQUE OF ARGUMENT

24 March

HORKHEIMER: There is a theme I would like to tackle some day: the question of the nature of argument. One can always say anything about anything. It is also linked to the question of theory and practice.

ADORNO: Thinking that renounces argument—Heidegger—switches into pure irrationalism.

HORKHEIMER: One can argue only if there is a practical implication behind it.

ADORNO: If there is a definite pull behind it. Kant.

HORKHEIMER: You can discuss the *Critique of Pure Reason* until there is nothing left.

ADORNO: Its substantiality lies in its arguments. The arguments are what is ephemeral, they then fall away. One can certainly define intelligence. The concept contains a mixture of quite different things. The ability to think in isolation from the subject matter in question, and on the other hand, the insight that comes from a grasp of that subject matter. These two aspects are connected, but the usual concept of intelligence refers simply to the first, while the second, which is what counts, is dragged along under the label of intuition or the like. It must be said that formal intelligence is the necessary but not sufficient attribute, and that intuition is only a type of experience that is suddenly activated, and is by no means irrational. There ought to be a phenomenology of intelligence in which it would appear as the third component, also appearing in the other two, but in a distorted form.

HORKHEIMER: You mean that when we speak there is always some kind of goal lying behind it, the sum of our experiences and sufferings. There is something indescribably naive about wanting to treat intelligence in isolation.

ADORNO: But there really is something like dianoetic virtue—devoting oneself to something for its own sake and doing it justice.¹⁰

HORKHEIMER: Practice is implicit in justice.

ADORNO: This brings us to the point where it can be seen that there is something deluded about the separation of theory and practice. Separating these two elements is actually ideology.

HORKHEIMER: What is meant by doing something justice? We need to find a formulation in order to express what that something truly wants. The midwife aspect.

ADORNO: That is also implicit in Hegel's idea of the self-movement of the concept.

HORKHEIMER: The thing has no need of the good. Whereas we, if we wish to help the thing, really do have some good object in mind and regard the thing as in need of help.

ADORNO: The thing stands in need of the concept. The concept ought really to be the good aspect of the thing.

HORKHEIMER: That is too abstract for me. It's like someone feeling his way in the dark, not knowing that there is a light.

¹⁰ Aristotle distinguished between ethical and dianoetic virtues, i.e. practical as opposed to speculative reason.

ADORNO: Philosophy exists in order to redeem what you see in the look of an animal. If you feel that an idea is supposed to serve a practical purpose, it slithers into the dialectic. If, on the other hand, your thought succeeds in doing the thing justice, then you cannot really also assert the opposite. The mark of authenticity of a thought is that it negates the immediate presence of one's own interests. True thought is thought that has no wish to insist on being in the right.

HORKHEIMER: When you speak, you always speak for yourself. When you defend a cause, you also defend yourself. To plead on behalf of a specific cause is not necessarily a bad thing. You feel deeply that your own interests are at stake. Everyone feels the injustice that would occur if one were to be extinguished. To plead on behalf of another is also to plead on one's own behalf.

ADORNO: The mistrust of argument is at bottom what has inspired the Husserls and Heideggers. The diabolical aspect of it is that the abolition of argument means that their writing ends up in tautology and nonsense. Argument has the form of 'Yes, but . . .'

HORKHEIMER: But the 'Yes, but . . . ' remains in the service of making something visible in the object itself.

ADORNO: There is something bad about advocacy—arguing means applying the rules of thinking to the matters under discussion. You really mean to say that if you find yourself in the situation of having to explain why something is bad, you are already lost. Alternatively, you end up saying like Mephistopheles: 'Scorn reason, despise learning.' Then you will discover the primordial forces of being.

HORKHEIMER: The USA is the country of argument.

ADORNO: Argument is consistently bourgeois.

HORKHEIMER: It is our cursed duty to marry thinking with right practice.

8. THE CONCEPT OF PRACTICE

25 March, AM

ADORNO: The central issue is how to relate theory and practice in general. You said that the right theory wants what is right. We can go further than that. Firstly, we must say that thinking is a

form of practice; when I think, I am doing something. Even the most rarefied form of mental activity contains an element of the practical.

HORKHEIMER: I do not entirely agree with that.

ADORNO: Thinking is a form of behaviour that in a curious way has taken on the appearance of something in which human activity is not involved.

HORKHEIMER: I am reminded of something related to this. You cannot say that adding up is an activity in the same sense as listening to a piece of music. Just as there is a difference between pushing a chair somewhere and sitting on it. The element of rest, of contemplation belongs on the side of theory.

ADORNO: On the other hand, theory's claim to be pure being, purified of action, has something of a delusion about it.

HORKHEIMER: Theory is theory in the authentic sense only where it serves practice. Theory that wishes to be sufficient unto itself is bad theory. On the other hand, it is also bad theory if it exists only in order to produce something or other.

ADORNO: I always come back to the feeling I have when people ask me how I would act as the director of a radio station or as minister of education. I always have to admit to myself that I would be in the greatest possible state of perplexity. The feeling that we know a huge amount, but that for category reasons it is not possible for us to put our knowledge to genuine practical use, is one that has to enter our deliberations.

HORKHEIMER: That does not go far enough. As long as you are working in a society alongside others you cannot fall back on the concept of practice that was still available to Marx. Our situation is that we have to get to grips with the problem of reformism. What is the meaning of practice if there is no longer a party? In that case doesn't practice mean either reformism or quietism?

ADORNO: Our concept of practice is different from Lazarsfeld's.¹¹ People have always tried to foist onto us a concept that is appropriate for a state of emergency.

¹¹ Paul Lazarsfeld (1901–1976): Austrian émigré sociologist, under whom Adorno worked on the Princeton Radio Research project; known for his empirical focus and entrepreneurial bent; Adorno described him as a 'research technician'. [NLR]

HORKHEIMER: Since the Communist Party already exists within society, this means renouncing what we mean by practice. By practice we really mean that we're serious about the idea that the world needs fundamental change. This has to show itself in both thought and action. The practical aspect lies in the notion of difference; the world has to become different. It is not as if we should do something other than thinking, but rather that we should think differently and act differently. Perhaps this practice really just expects us to kill ourselves? We probably have to start from the position of saying to ourselves that even if the party no longer exists, the fact that we are here still has a certain value.

ADORNO: Moreover, we are by no means as unhappy as other people.

HORKHEIMER: And temperamentally we are a long way from wishing to commit suicide.

ADORNO: Precisely because of its exceptional status, theory is a kind of stand-in for happiness. The happiness that would be brought about by practice finds no correlative in today's world apart from the behaviour of the man who sits in a chair and thinks.

HORKHEIMER: That is an Aristotelian view.

ADORNO: It is not true in so far as happiness is only thought and not real, but it is true in the sense that this exceptional status outside the realm of daily routine is a kind of substitute for happiness. And in that sense the difference between thinking and eating roast goose is not so very great. The one thing can stand in for the other.

HORKHEIMER: But eating roast goose is not the same thing as doing theory. Freedom is being allowed to do as you wish. The fact that thinking gives us pleasure is not what justifies the privileging of theory over practice. Where there is no link to practice, thinking is no different from anything else one happens to enjoy. The difference between thinking we approve of and disapprove of is that the thinking we approve of must have a connection to a world set to rights and must look at the world from this perspective. It must relate to the question of how the world is to be made different. If we wish to write about theory and practice we must give a more incisive account of this aspect. Sometimes by practice we mean the fact that everything we think and do should be classified under the heading of change. At other times, we mean by practice whatever relates to the difference between thinking and doing. We must make every

effort to ensure that all our thoughts and actions fit in with the first mentioned concept of practice. You, on the other hand, resist the idea that thought might be denied various possibilities by always asking how we are to make a start.

9. NO UTOPIANISM

25 March, PM

HORKHEIMER: It must not look as if we were providing a metaphysical gilding for bourgeois desires.¹² It might be objected that what we call 'change', 'otherness' [*das Andere*], is nothing but an ideological projection. Whatever appeared desirable on the basis of certain social interests is then endowed with the status of 'change' and contrasted with the entire course of world history.

ADORNO: It could be said that Marx and Hegel taught that there are no ideals in the abstract, but that the ideal always lies in the next step, that the entire thing cannot be grasped directly but only indirectly by means of the next step. In other words, what we are doing is pre-dialectical, a leaping out of the dialectic. I would reply that this objection is itself abstract. It applies to a world that has not yet become a totality. Today, however, where everything is included and the world constitutes a unity as far as one can see, the idea of 'otherness' is one whose time has come. We might almost say that the dialectic, which always contains an element of freedom, has come to a full stop today because nothing remains outside it. What Hegel and Marx called utopianism has been rendered obsolete by the present stage of history. That is because the stage reached by the forces of production really would permit us to eliminate need and because the entire world has been welded together in a single context of delusion and disaster, so that salvation lies only in impulses that lead us out of that totality.

HORKHEIMER: That is a reversion to utopianism.

ADORNO: The critique of utopianism is based on the idea that technology has not advanced sufficiently. No one can maintain that

¹² An echo of a metaphor used by Werner Sombart, also deployed on an earlier occasion by Horkheimer. See 'Die gegenwärtige Lage der Sozialphilosophie und die Aufgaben eines Instituts für Sozialforschung' (1931), in Horkheimer, *Gesammelte Schriften*, vol. 3, Frankfurt 1988, p. 26.

today. Today we have the pure contradiction between the forces and relations of production.

HORKHEIMER: Marx had already made that claim.

ADORNO: But at the time that was probably not yet the case.

HORKHEIMER: But why should we return to bourgeois ideals?

ADORNO: We can show that the things we dislike are for their part the reflexive forms of the form of production.

HORKHEIMER: Marx was opposed only to things he thought obsolete. We in contrast are Romantics.

ADORNO: Marx would have classed television and the motorbike as ideology.

HORKHEIMER: My objection is that everything we adduce to define 'the other' has something ideological about it. Are these not all animal qualities: a not-too-strenuous life, having enough to eat, not having to work from morning to night? Preventing violence being done to man's nature? What is Marx's view of theory and practice?

ADORNO: Whatever is ripe for the time points to the entire pre-history. The concept of prehistory also contains an element of an abstract utopia.

HORKHEIMER: Marx says that classes must be abolished because the time is ripe for it, the forces of production are strong enough.

ADORNO: If we let history go its own way and we just give it a little push, it will end up in a catastrophe for mankind.

HORKHEIMER: Nothing can be done to prevent that except to bring in socialism.

ADORNO: That's what we say too.

HORKHEIMER: If one always refers back to the idea of measuring everything according to the image of how one would like things to be, one arrives at the concept of utopia, of a theory that does not lead to action. What use is a theory that does not tell us how to behave towards the Russians or the United States? Reality should be measured against criteria whose capacity for fulfilment can be demonstrated in a number of already existing, concrete developments in historical reality.

ADORNO: On the one hand, theory exists to tell us what can be done about establishing communism within a specific power constellation. On the other hand, it is precisely the pressure to think in terms of such

alternatives that reduces thinking to such nonsense today. That is an antinomy.

HORKHEIMER: You cannot simply negate this antinomy abstractly. You cannot say that this pressure destroys thought and end up cursing both the pressure and the thought. You then have to say: hands off politics, just keep on being a university professor. Otherwise we shall end up as stoics. Thinking becomes the only pleasure.

ADORNO: The pleasure of thinking is not to be recommended.

HORKHEIMER: Perhaps we should refuse all compromises and say that writing articles as Marx did is pointless today. No doubt, we still believe there can be moments in history when everything might be turned upside down once again. But today we have to declare ourselves defeatists. Not in a fatalistic way, but simply because of the situation we find ourselves in. There is nothing we can do. We should not turn this into a theory, but have to declare that basically we cannot bring about change. We must not act as if we still could.

ADORNO: On the one hand, you said that you believe that a time may come when it will be possible. On the other hand, there is something idiotic about saying this. The idea that it will work out some day is incompatible with Marxism.

HORKHEIMER: If someone says that all will be well one day, this quite fails to reassure me. After all, the twenty million murdered Chinese are dead and that is something that separates us from Marxism. The belief that all will be well cannot reconcile us to the bad things that have happened. It follows that Marxism is basically not possible unless there is the prospect of an immediate revolution. If that is true, then utopia ceases to be a social utopia and in that event our incompatibility with Marxism is enormously increased.

ADORNO: In that case, utopia is metaphysics.

HORKHEIMER: Not metaphysics, but much more immediate. The idea of practice must shine through in everything we write; a curious waiting process, but one that does not have the ability to justify everything that has happened. We have to think of our own form of existence as the measure of what we think.

ADORNO: Shouldn't we really have to think everything out from the beginning? Write a manifesto that will do justice to the current situation. In Marx's day it could not yet be seen that the immanence

of society had become total. That means, on the one hand, that one might almost need to do no more than strip off the outer shell; on the other hand, that no one really wants things to be otherwise.

HORKHEIMER: We still have something of a breathing space. We must not lose sight of that in our discussion of theory. We cannot be active politically and yet every word we write is political. We have to say clearly that the Communist Party is not a whit superior to the liberal politicians in the Federal Republic. The claim that new constellations are possible has echoes of Trotsky.

ADORNO: The fact that art exists is not rendered immaterial by the statement that what really counts is revolution.

HORKHEIMER: Art is actually not different from what we have in mind, but we have to articulate it.

ADORNO: We should not blind ourselves to this.

HORKHEIMER: We need to make explicit matters that Picasso can remain silent about. It must become quite clear from our general position why one can be a communist and yet despise the Russians.

ADORNO: We must be against Adenauer.

HORKHEIMER: But that is only true as long as we list the reasons that make it possible to keep on living in the West. An appeal for the re-establishment of a socialist party.

ADORNO: With a strictly Leninist manifesto.

HORKHEIMER: Then we would be told that such a manifesto could not appear in Russia, while in the United States and Germany it would be worthless. At best, it might have some success in France and Italy. We are not calling on anyone to take action.

ADORNO: Practice is a rationally led activity; that leads ultimately back to theory. Practice is driven on to theory by its own laws.

HORKHEIMER: Theory is, as it were, one of humanity's tools.

ADORNO: That means that theory and practice cannot be separated.

HORKHEIMER: That is conformism.

ADORNO: For a form of behaviour to be practical I must reflect on something or other. If I have the concept of reflection, the concept of practice implicitly postulates that of theory. The two elements are truly separated from each other and inseparable at the same time.

HORKHEIMER: Theory is required to reflect; it must know why.

ADORNO: What makes theory more than a mere instrument of practice is the fact that it reflects on itself, and in so doing it rescinds itself as mere theory.

HORKHEIMER: It can achieve that only by targeting true practice.

ADORNO: Contemplation had a point while it was still directed at an object in a theological sense. You always criticize theory on the grounds that a communist theory is really an absurdity, the pure observation of something that no longer exists. The concept of theory has undermined itself through the overall concept of enlightenment. There is something archaic about the concept of theory.

HORKHEIMER: Marx would say that what we perceive are not ideas but products of human practice, in a twofold sense. Firstly, in the sense that our attention is still taken up by our needs, and secondly, because we regard as nominalistically insoluble something that we are as yet unable to produce with the methods of science.

ADORNO: The fact that human beings have broken out of nature is very remarkable. Not until today, under conditions of monopoly, has the world of animals been reinstated for the benefit of human beings, everything is closed off. The biological leap of the human species is being revoked once more.

IO. THE ANTINOMY OF THE POLITICAL

30 March

HORKHEIMER: We have asked about the relationship between theory and practice if there is no longer a party. Now there is no party and this means that two sources of uncertainty are involved, if we continue to operate in the realm of theory. Firstly, because what is produced in the way of theory no longer has anything in common with Marx, with the most advanced class consciousness; our thoughts are no longer a function of the proletariat. Secondly, it seems then as if we are working on a theory for keeping in stock.

ADORNO: In the best case, it is theory as a message in a bottle.

HORKHEIMER: In stock. Perhaps the time will come again when theory can be of use. A theory that has ceased to have any connection with practice is art. What we need to respond to is the question of whether we are doing philosophy as pure construct.

ADORNO: If I had the choice between a construct and the stockroom, I would always choose the construct. To think thoughts because it is fun seems more dignified.

HORKHEIMER: First thesis: the choice between ideas as constructs and ideas in stock.

ADORNO: We have to express this as bluntly as possible without leaving anything obscure.

HORKHEIMER: Even if our theory doesn't directly feed into practice, and even if the link with practice is utterly opaque, it will nevertheless benefit practice somehow or other. Thinking has lost direction in a very crucial way. Philosophy differs from art in this respect. If we speak of the injustice and mendacity of the world in a philosophical text and the world replies that it is not unjust and mendacious, since there is no alternative at present, it is just doing the best it can, this means that there is something wrong with theory. We rightly expect theory to have a definite meaning. In contrast, we just listen to music. Theory cannot be oblivious of itself. Theory as resistance. Basically your thinking too has a highly practical orientation.

ADORNO: I know that everything is false as long as the world is as it is.

HORKHEIMER: You would say that merely to say this is to achieve much. I say that a lot more has to happen. We have to point to the direction we must travel in to make sure that the horrors are no longer necessary. In your view theory has done its job once we can say that. I believe we must retain the aspect of Marxism which insists that it is not enough to say something is bad. In actuality we still have to do battle with the standpoint of the French counter-revolution, which maintains that the work done by the executioner is still needed since otherwise things would be even worse.

ADORNO: What irritates me so much about the entire relationship between theory and practice is something quite obvious, namely the experience that everything the Russians write slips into ideology, into crude, stupid twaddle, that culture is rubbish and that somewhere, at the very same spot as in Marx and Engels, there is an element of re-barbarization. Thinking in their [the Russians'] writings is more reified than in the most advanced bourgeois thought. I have always wanted to rectify that and develop a theory that remains faithful to Marx, Engels and Lenin, while keeping up with culture at its most advanced.

HORKHEIMER: Who would not subscribe to that? You wish to retain culture, but being ruthless and barbaric is necessarily part of this culture. Your attitude has something of Don Quixote about it. You would like to omit whatever doesn't suit you, as if this culture could survive in present conditions without the injustice we both hate.

ADORNO: The ruthless critique of this culture is one element of our own activity.

HORKHEIMER: I do not myself think that pure cultural criticism is so important. An American might well say to us, what do you really want, we are the better human beings, we want to organize things so as to put an end to barbarism. This is what we have to sort out. Do you know what it is about practice that you reject? The recipe. Theory should not be a recipe, but if it remains quite unconnected with any such thing . . .

ADORNO: It negates itself. When ideas become too concrete, I protest; when they become too abstract, you protest. When Marx and Engels wrote the *Communist Manifesto* there was no party either. It is not always necessary to join up with something already in existence.

HORKHEIMER: If you produce revolutionary writings in a non-revolutionary situation without engaging with the positive aspects of a culture, it always seems somehow hopeless.

ADORNO: But Marx did not have the aura of someone who was godforsaken.

HORKHEIMER: There was nothing sectarian about him. We must not write a single word that might fail to acknowledge that we live in this particular society and are a part of it.

ADORNO: We live on the culture we criticize.

HORKHEIMER: I meant the society.

ADORNO: You said that the barbarism of this culture can be countered only with barbaric methods. So are the means neutral towards the ends? In other words, can I really be opposed to barbarism if I myself write like writers in the Marxist tradition?

HORKHEIMER: Karl Kraus is likewise barbaric.

ADORNO: We have to express ourselves in such a way that our readers can see quite clearly how things have to be changed, but one must allow the reader to see enough to enable him to glimpse the idea that change is possible.

HORKHEIMER: Second thesis: What we say today is something implicit in morality or Christianity. If there is so much affluence as there is in the Western world, we must give to those who have nothing.

ADORNO: The fault lies exclusively with ideology. Basically, we have to change consciousness, to dissolve the context of delusion in the minds of others. Then all would be well.

HORKHEIMER: It is not just the state of consciousness. If those who have plenty were to hand some over to the needy, they would ultimately find themselves overwhelmed by them. Human beings live on horror. It's connected with eating meat. Your 'Beggar hurries to the gate'³—that is the culture we live in.

ADORNO: Theory is already practice. And practice presupposes theory. Today, everything is supposed to be practice and at the same time, there is no concept of practice. We do not live in a revolutionary situation, and actually things are worse than ever. The horror is that for the first time we live in a world in which we can no longer imagine a better one.

HORKHEIMER: The party no longer exists.

ADORNO: Any appeal to form a left-wing socialist party is not on the agenda. Such a party would either be dragged along in the wake of the Communist Party, or it would suffer the fate of the SPD or Labour Party. It is not a political issue that there is no party.

HORKHEIMER: The moment politics is less able to do the right thing than at any time in history is also the moment politics is no longer of relevance.

ADORNO: The problem of he who speaks.

HORKHEIMER: Can it be said that today the political situation is worse than at any other time? It is not just worse. What links the two of us and separates us from other people is a kind of reluctance to say that twenty million are being murdered in China but soon there will be no more famines. What we reject is not practice but telling others what to do. Because we are still permitted to live, we are under an obligation to do something.

Translated by Rodney Livingstone

³ From a song in Adorno's *Der Schatz des Indianer-Joe*, Frankfurt 1979, pp. 33-4.



Mao Zedong and China in the Twentieth Century

A Concise History
REBECCA E. KARL

"In this succinct and compact narrative of Mao's personal and intellectual development, Rebecca E. Karl offers an impressive exposition of the formation and evolution of the theory and practice of the Chinese Revolution. Her analysis of ideological tenets in China's revolutionary movement is convincing and more sophisticated than other narratives of Mao's life and thought." — Ban Wang, author of *Illuminations from the Past: Trauma, Memory, and History in Modern China*

DUKE UNIVERSITY PRESS

208 pages £14.99 PB 978-0-8223-4795-8



James P. Cannon and the Origins of the American Revolutionary Left, 1890-1928

BRYAN D. PALMER

Winner of the Wallace K. Ferguson Prize of the Canadian Historical Association

"In this magnificent biography of Cannon, the founder of American Trotskyism, Bryan Palmer recovers the lost history of the Left in the 1920s and completely reframes the debate about the origins and nature of the CPUSA — here is the true story of 'Reds,' told by a master historian." — Mike Davis

UNIVERSITY OF ILLINOIS PRESS

576 pages £22.99 PB 978-0-252-07722-7



Asia as Method

Towards
De-Imperialization
KUAN-HSING CHEN

"Kuan-Hsing Chen is one of a handful of scholars leading the

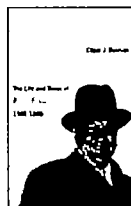
whole project of 'internationalizing' cultural studies — an endeavor which has positively and irrevocably transformed the cultural studies project itself"

— Stuart Hall

"*Asia as Method* is a book of genuinely international importance. It is a significant intellectual achievement and a major breakthrough for the definition and legitimization of the disciplinary practice of cultural studies worldwide." — Menglian Morris

DUKE UNIVERSITY PRESS

328 pages £15.99 PB 978-0-8223-4676-0



The Life and Times of Raul Prebisch, 1901-1986

EDGAR J. DOSMAN

selected as a best book

of the year by *The Economist*

"In rescuing Prebisch for a new generation, and above all in allowing the reader to separate the man from the myth, Dosman has performed a valuable service for all those interested in economic thinking in Latin America and in the field of international development in general." — *The Economist*

MCGILL-QUEEN'S UNIVERSITY PRESS

624 pages £20.99 PB 978-0-7735-3775-0

COMBINED ACADEMIC PUBLISHERS

www.combinedacademic.co.uk

A SHANGHAI MODEL?

On Capitalism with Chinese Characteristics

AMONG THOSE WHO muster the most righteous indignation against governments that stifle private enterprise are free-market advocates claiming to speak on behalf of the poor. In their works, the poverty of peasants and of rural migrants who eke out a living in the global South's growing cities is caused by government bureaucrats, who provide privileges for crony capitalists and other favoured elites while smothering the entrepreneurial energies of the less fortunate. Give the poor clearly defined rights to their meagre properties, provide them with opportunities to obtain credit and stop subjecting them to onerous taxes and regulations, and they will not only find entrepreneurial solutions to their own poverty, but they will become a powerful engine for economic development.

This is the message of *Capitalism with Chinese Characteristics*, the widely acclaimed book by Huang Yasheng.¹ In contrast to many mainstream economists, who praise China for steadily advancing toward Western capitalist practices over the last three decades, Huang argues that China started retreating from true economic liberalization in the 1990s. In the 1980s, he writes, China was developing a type of entrepreneurial capitalism in which small rural entrepreneurs played the leading role. But in the 1990s it moved toward a state-led capitalism, which favours big government-connected urban enterprises. Huang's book, which has received considerable attention in academic and policy circles both inside and outside China and was named by the *Economist* as Book of the Year, has broken new ground in combining free-market doctrines with populist claims.

Most advocates of greater economic liberalization in China are not especially concerned about growing income inequality or about the welfare of those in the lower echelons of the economic hierarchy, but Huang belongs to a distinct subgroup of free-market enthusiasts who place the plight of workers and peasants at the centre of their analyses.² Members of this subgroup, which includes prominent academics and journalists such as He Qinglian, Hu Shuli, Qin Hui and Kate Zhou, have elaborated a variety of arguments that attribute growing inequality in China to such factors as official corruption, the persistence of state ownership, overweening government control, constraints on private enterprise, urban bias among state elites, lack of transparency and crony capitalism.

Huang's account has received particular attention for several reasons. First, he is ensconced at the top of the academic establishments on both sides of the Pacific. A native of China who earned a PhD in government at Harvard, Huang now teaches at MIT's Sloan School of Management and has appointments at Tsinghua University's Center for Chinese Economic Research and Center for China in the World Economy, which house many of the PRC's most prominent and influential economists. Second, he challenges standard accounts of steady progress of market reforms in China by arguing that the conspicuous decline of rural enterprise has been caused by growing state constraints on private entrepreneurship, crafting a narrative that is at once provocative and seemingly intuitive. Third, as a champion of indigenous Chinese enterprise, he criticizes policies that favour foreign-invested firms. Fourth, he backs up his narrative with an impressive body of original research. Drawing on intensive examination of thousands of pages of primary documents from Chinese banks and rural credit cooperatives, as well as data from official surveys of rural enterprise that have been little used by academics, Huang produces a wide array of statistics which he analyses in innovative ways. For this, future scholars will be greatly in his debt.

The book is organized around a comparison of the 1980s, which Huang characterizes as a 'rural entrepreneurial decade', and the 1990s, which he

¹ Yasheng Huang, *Capitalism with Chinese Characteristics: Entrepreneurship and the State*, Cambridge 2008.

² It is quite common, of course, for academics and journalists casually to suggest that the difficulties faced by China's workers and peasants are a consequence of the government's failure fully to carry out market reforms. It is less common to encounter scholars, like Huang, who make this theme the centre of completely elaborated scholarly analyses.

dubs a 'state-led urban decade'. In the 1980s, Huang contends, economic policy was largely in the hands of Zhao Ziyang, Wan Li and others who were inclined to carry out liberal experiments and were sympathetic to rural entrepreneurs. After dismantling the rural communes, they allowed private enterprise to flourish in the countryside by removing government constraints and providing easy access to credit. While the cities were still dominated by sluggish government planning and state-owned enterprises, in the countryside—where the state had always been weaker and enterprising spirit stronger—small labour-intensive rural businesses became the prime engine of the rapidly expanding economy.

The liberalizing trends of the 1980s, however, ended abruptly with the suppression of the Tiananmen protests and the fall of Zhao Ziyang in 1989. Economic policy-making was taken over by a new team led by Jiang Zemin and Zhu Rongji, urban-oriented technocrats from Shanghai, who were partial to state-guided industrial planning. They disdained rural entrepreneurs and favoured big, high-tech, capital- and energy-intensive projects, funnelling money to state-owned enterprises and using tax breaks to encourage foreign investment. The result was an increasingly corrupt, crony capitalism and an urban boom in which gleaming skyscrapers were built on confiscated paddy fields. Starved of credit, rural enterprises stagnated and declined.

Huang dedicates one chapter to Shanghai, which he presents as the epitome of all that is wrong with the state-led urban model. While GDP growth has been rapid, he writes, the city's economic development has been dominated by corporations in which government entities or foreign companies have major shares, rather than by indigenous private enterprises. To ensure the profitability of the state-connected enterprises, layoffs of state-sector workers were particularly aggressive and the development of private-sector competition was suppressed. As a result, Shanghai has relatively few small proprietors and a dearth of medium and large private firms. This lopsided development has in Huang's view produced income polarization, with the city's poorest residents experiencing falling real incomes.

Huang doubts the sustainability of China's state-led development model, citing growing corruption, recurring asset bubbles and slowing total-factor productivity growth. In the final chapter, he compares the Chinese model unfavourably with those pursued by other East Asian

countries and India. The latter is now also on a rapid development trajectory, he writes, because it has replaced economic planning with a liberal policy environment that nurtures indigenous private entrepreneurship (as China did in the 1980s). Among China's East Asian neighbours, although Japan, Taiwan and South Korea all pursued industrial policy approaches in the past, even when the state was most involved in guiding development the private sector was always predominant. Moreover, like India, these countries did not depend on foreign investment. All of them, Huang concludes, are private-sector success stories, in which indigenous entrepreneurs played the key role.

Huang's most striking argument concerns not development, but rather inequality. While China's economy grew rapidly during both the 1980s and the 1990s, he contends, distribution was far more equitable under the rural entrepreneurial model than under the state-led urban model. In the 1980s, personal income grew faster than GDP and rural incomes grew faster than urban incomes. Not only were both trends reversed in the 1990s, but education and medical care became increasingly unaffordable to rural residents, leading to a decline in rural literacy and health indices. The book's take-home message: when the Chinese government was smart enough to get out of the way and let private enterprise flourish, the economy not only grew rapidly, but the results were more equitable. In this essay, I will consider the main empirical questions underlying these claims. First, why did rural enterprises in China flourish in the 1980s and then falter in the 1990s? Second, what caused economic inequality to grow so rapidly in the 1990s?

Rural enterprises

The actual causes of the rise and fall of rural enterprises are in some ways just the opposite of what Huang proposes. Small rural firms flourished in the 1980s not because the state got out of the way, but rather because it intervened in the economy in a heavy-handed fashion in order to prevent the development of larger private enterprises. In the early years of the post-Mao era, the Chinese Communist Party was determined to prevent the development of a capitalist sector, which it viewed as a potential political threat. It allowed rural households to engage in small-scale entrepreneurial activities, and it continued to promote the development of collective enterprises run by village and township officials. Both sectors flourished with the opening of commodity markets,

but their success was due in large measure to government protection. The state, in effect, created and maintained an environment in which these enterprises could operate without facing competition from large capitalist firms. This protection took six key forms:

1. Land reform and rural collectivization, carried out at the beginning of the communist era, had eliminated the old landed and business classes, and decollectivization subsequently divided land equally among rural households. The field had been cleared and when markets were opened up in the early 1980s, there was plenty of room for entry by small rural entrepreneurs.
2. The CCP suppressed the development of new capitalist firms. Households were permitted to engage in business, but they could not legally employ more than seven people (nominally family members). This restriction was lifted only after 1987.
3. Strict limits on the sale and leasing of land further inhibited the development of larger private enterprises.
4. While contracting with foreign firms was encouraged, direct investment by foreign capitalists was severely restricted.
5. The domestic market remained by and large protected from imported goods.
6. Rural households and collective enterprises enjoyed a monopoly on employing inexpensive rural labour (which was subsidized by subsistence farming). Urban state-owned enterprises were compelled to provide permanent employment and generous welfare benefits to their incumbent workers, and the employment of temporary workers was restricted. This gave small rural enterprises an advantage in labour-intensive sectors, and many benefited from subcontracting relations with state enterprises.

The rural economic boom of the 1980s was powered largely by small factories owned by township and village governments (which were known as collective enterprises, although they were not actually owned by their employees). Small household enterprises also flourished, and by the end of the decade, as employment limits and other restrictions were eased,

private entrepreneurs began to build larger businesses. In order to claim that the rural take-off in the 1980s was largely a private-sector affair, Huang downplays the role of enterprises owned by township and village governments and exaggerates the role of the private sector. To bolster his argument, he cites Ministry of Agriculture data showing that the great majority of rural enterprises were private, rather than collective. This is true if we count all self-employed individuals as 'enterprises', because in that case the great majority of enterprises were simply individual artisans, peddlers and shopkeepers. The bulk of employment, however, was actually provided by the collective enterprises, which were fewer in number but significantly larger.³

According to the Ministry of Agriculture data compiled by Huang, reproduced below as Table 1, in the late 1980s, 'household businesses' (*getihu*) made up over 80 per cent of all rural enterprises, but the average number of people active in each of these businesses was only about two. The number of larger private enterprises (those with more than seven employees) was growing, but they were also relatively small, with an average of only about eight employees per enterprise, and until the mid-1990s they never provided more than 10 per cent of employment in the rural entrepreneurial sector. On the other hand, although collective enterprises were relatively small in number, they employed many more people (an average of about thirty per enterprise by the end of the 1980s), and they accounted for over half of the employment in this sector. If we were to remove from this calculation those businesses that were simply self-employed individuals, then the collective sector provided the overwhelming majority of jobs. Moreover, the collective enterprises dominated manufacturing, which was the engine of the rural take-off, while small household businesses were concentrated in transportation, commerce and services, and many of them benefited from opportunities provided by the growth of the collective factories. Nevertheless, Huang is right to characterize rural China in the 1980s as highly entrepreneurial. All rural businesses, including the factories run by township and village cadres, operated outside of the state plan and

³ Some enterprises that registered as collectives were actually privately run, but there is no evidence that these comprised more than a small proportion of the total, and Huang does not suggest that they did. Moreover, it seems that such false registration was largely a phenomenon of the late 80s and early 90s, after the establishment of larger private enterprises had been endorsed ideologically and gained legal sanction, but collective enterprises continued to enjoy credit and other preferences.

TABLE I. *Ownership of Township and Village Enterprises, 1985–2002*

Year	Number of TVEs, million units				Employment in TVEs, million persons			
	Total	Collective	Large Private*	Household	Total	Collective	Large Private*	Household
1985	12.2	1.57	0.53	10.1	69.8	41.5	4.75	23.5
1986	15.2	1.73	1.09	12.3	79.4	45.4	8.34	25.6
1987	17.5	1.58	1.19	14.7	88.1	47.2	9.23	31.6
1988	18.9	1.59	1.2	16.1	95.5	48.9	9.77	36.8
1989	18.7	1.53	1.07	16.1	93.7	47.2	8.84	37.6
1990	18.7	1.45	0.98	16.3	92.7	45.9	8.14	38.6
1991	19.1	1.44	0.85	16.8	96.1	47.7	7.27	41.2
1992	20.9	1.53	0.90	18.5	106.3	51.8	7.71	46.8
1993	24.5	1.69	1.04	21.8	123.5	57.7	9.14	56.6
1994	24.9	1.64	0.79	22.5	120.2	58.9	7.3	53.9
1995	22.0	1.62	0.96	19.4	128.6	60.6	8.74	59.3
1996	23.4	1.55	2.26	19.6	135.1	59.5	24.6	50.9
1997	20.1	1.29	2.33	16.5	130.5	53.2	26.3	51.0
1998	20.0	1.07	2.22	16.8	125.4	48.3	26.2	50.9
1999	20.7	0.94	2.08	17.7	127.1	43.7	28.5	54.8
2000	20.9	0.8	2.06	18.0	128.2	38.3	32.5	57.3
2001	21.2	0.67	2.01	18.5	130.9	33.7	36.9	60.2
2002	21.3	0.73	2.3	18.3	132.9	38.0	35.0	59.8

*More than seven employees. Source: Huang, *Capitalism with Chinese Characteristics*, p. 79.

had to be enterprising. And all kinds of rural enterprises—household, collective and small-scale capitalist—flourished in the hothouse environment created by the policies of the first decade of market reforms. So, what changed in the 1990s?

The key difference was that the CCP began to promote large-scale capitalist enterprise. In order to compete in global markets, Deng Xiaoping decided, China had to develop large enterprises that operated on capitalist principles. After Deng's famous 1992 Southern Tour, when he praised the efficiency of export-oriented foreign-invested firms in China's special economic zones, the state stopped suppressing and instead encouraged the development of large private enterprises, foreign and domestic. The new Company Law that came into effect in 1994, together with a series of

related reforms, constituted a major shift toward more liberal economic policies, opening the way for the development of a private corporate sector and the privatization of the great majority of state-owned and collective enterprises. As a result, the protective environment that rural enterprises had enjoyed in the 1980s was dismantled.

Huang is right to argue that urban bias was involved in the decline of China's rural economy in the 1990s, but he misconstrues the source of this bias. Capitalism intrinsically has an urban bias. With the development of capitalism, peasants, peddlers and artisans are displaced by capitalist firms, the size of enterprises increases, the centre of economic activity shifts from the countryside to cities, peasants move to urban areas and cities expand at the expense of the countryside. Large capitalist enterprises are headquartered in cities, and successful rural enterprises move to cities as they grow. Jiang Zemin and Zhu Rongji did, indeed, have an urban bias, but it was inherent in their preference for capitalism. They were inspired by the corporate capitalism of the West, and they favoured supermarkets over farmers' markets, department stores over street vendors, large factories over small ones, and corporate chains over mom-and-pop businesses. They had little use for township and village enterprises or household businesses; they wanted to see large, well-capitalized and technologically advanced corporations that were well integrated into global markets. In general, they favoured private over public, and they forced the complete privatization of the great majority of state-owned and collective enterprises, and the partial privatization of most others. The state held onto control of enterprises in a few 'strategic' sectors, including banking, oil and other key resources, power, telecommunications and armaments; but even in these sectors enterprises were restructured so that they were responsible for their own profits and losses, which meant they had to act more like capitalist corporations.

The labour market was also liberalized. Restructured public enterprises were freed from obligations to their employees; they no longer had to provide health insurance, pensions, housing, childcare or other welfare services, and they were now free to hire and fire according to market requirements. Private enterprises were allowed to take on as many employees as they wanted, and all enterprises could now freely hire rural migrants. At the same time, the establishment of large private enterprises was now permitted and successful entrepreneurs—urban and rural—were able to get bank loans to expand their operations.

Restrictions on foreign direct investment were lifted, and capital poured in from multinational corporations in the United States, Japan, South Korea and Europe, as well as from a multitude of capitalists, large and small, of Chinese ethnic origin in Hong Kong, Taiwan and Southeast Asia. Zhu Rongji reorganized the regulatory structure so that it more closely conformed to Western practices; his declared goal was to create a 'level playing field' for all types of enterprises, public and private. Although some state enterprises still get preferences, the private corporate sector is expanding rapidly, and profitable private businesses have no problem getting credit or licenses.

Credit squeeze

Starting in the mid-1990s, rural enterprise hit hard times. As Huang documents, the total number of rural enterprises fell from 24.9 million in 1994 to 20 million in 1998 (see Table 1). Many analysts have concluded that small rural enterprises declined because they could not compete with larger firms, domestic and foreign. Huang disagrees. Instead he argues that the urban-oriented leadership that took over in the 1990s created a hostile environment for rural enterprises, and he highlights policies that made it more difficult for rural entrepreneurs to get credit.

Although it is true that credit was dramatically tightened under Zhu Rongji in the mid-1990s, he tightened the screws on everybody. During most of the 1980s, government monetary policy was lax and credit was easy, and after a brief spell of tight money following the 1989 upheaval, there was a new wave of easy money in the early 1990s. The sudden imposition of tight credit policies caused a crisis not only for rural enterprises, but for urban enterprises as well. In fact, the credit crunch played a critical role in spurring the restructuring and privatization of state-owned and collective enterprises. Thousands of enterprises, urban and rural, shut their doors, and others shed much of their workforce. The state banks were reorganized to operate more like commercial banks, only lending to credit-worthy customers who could offer collateral and proof of ability to repay. The credit squeeze of the mid-1990s winnowed out large numbers of enterprises, both urban and rural, and only firms that were able to adjust to the new highly competitive capitalist environment survived. In general, they were larger and better capitalized, and most of them were privately owned. In the mid-1990s, all Chinese banks were weighed down with non-performing loans, but the Agricultural Bank of

China and the Rural Credit Cooperatives (RCC) were in the worst shape. The RCC, an institution created in the 1950s as part of the rural collective infrastructure, played a particularly important role in promoting rural enterprise in the 1980s, generously providing credit to township and village enterprises as well as peasant families that came up with promising business plans. In the highly competitive environment of the 1990s, however, many could not pay back their loans. Despite the fact that the RCC's criteria for making new loans became more stringent, the whole system virtually collapsed under a load of bad debts. Was this a result of urban bias among policy-makers? In most countries, commercial banks are not very interested in (or adept at) extending credit to small rural entrepreneurs, and some kind of state support is usually required to maintain institutions that provide credit to the smallest and weakest players. In the 1990s, when the Chinese government scaled back the support it had previously provided for the RCC, it was relinquishing the logic of a developmental state in favour of that of a capitalist banker.

Huang's central claim is that rural enterprises faltered in the 1990s because government policies favoured state-connected urban firms. In the 1980s, however, when state-owned enterprises (SOEs) comprised a much larger proportion of the economy and were funded directly from the state budget, rural enterprises thrived. Back then, the SOEs never presented much of a threat to rural enterprises. In fact, when many township and village enterprises were first established in the 1970s, they received free technical assistance from urban SOEs. That was, of course, before profit was much of a concern. During the 1980s, when profits did begin to matter, many SOEs were content to sell old machinery and equipment to rural enterprises and give them work on contract. At that time, such contracts were the only way SOEs were able to access inexpensive rural labour. All this changed in the mid-1990s, when urban market reforms resulted in the privatization of most public enterprises and the rapid development of large private concerns. As a result of the CCP's embrace of capitalism, small rural enterprises—collective, household and small-scale capitalist—now faced competition from much more aggressive urban firms (public and private) that had better access to capital, technology and urban and foreign markets. Large urban enterprises were now also able directly to hire inexpensive rural labour, which until then had been exclusively available to rural enterprises, and many moved into labour-intensive sectors, displacing smaller rural competitors.

Privatization and decline

There is a problem with timing in Huang's narrative. His 'rural entrepreneurial decade' ends in 1989 with the political repression that followed the Tiananmen protests, which was accompanied by a brief retreat from economic liberalization. Between 1989 and 1991, all types of enterprises felt the impact of tighter monetary policy (imposed to rein in inflation, seen as a factor that spurred the Tiananmen protests), and there were new efforts to restrict larger private enterprise (which had only recently been legalized). Yet while the number of larger private enterprises contracted during this period, the number of small household enterprises continued to grow steadily until the mid-1990s.

The figures in Table 1 show that the initial retreat from economic liberalization hurt larger private enterprises, but not household businesses, while with the resumption of liberalization—after Deng's Southern Tour and the enactment of the Company Law—the number of household businesses started to contract, just as the number and size of larger private firms began to increase dramatically. As the number of rural enterprises shrunk in the late 1990s, the relative weight of larger private firms grew substantially. This was the result both of the privatization of collective enterprises and of the centralization of capital among private enterprises. Centralization occurred among household businesses and larger private-enterprises alike, as the number of firms declined and the number of employees per enterprise increased. Similar processes of privatization and centralization were taking place in urban China, with much bigger enterprises involved.

Huang could make a much stronger case that the sudden decline of the rural economy in the second half of the 1990s was precipitated by urban bias, but he leaves out of his narrative two of the most critical policy changes that favoured urban areas. The first was the wholesale privatization of township and village factories, which consequently lost much of the local government support they had enjoyed, including free use of village land and official help in securing labour, credit, contracts and markets. Privatization was a major factor in the decline of rural industry and was widely seen as government abandonment of the rural industrial sector—in fact, Zhu Rongji wanted the government to get out of the business of running small factories, which were predominantly rural, and focus on large 'strategic' firms, which were exclusively urban. The

second was a sudden, sharp drop in grain prices in 1996, which hurt the entire rural economy. It might be argued that the government intentionally drove down prices, in part by flooding the market with imported grain, in order to ease the pain urban residents were experiencing as a result of industrial restructuring. Both of these policy changes could easily be placed at the centre of an argument that urban bias led to rural decline, but they are not part of Huang's argument, presumably because they do not fit easily into his free-market thesis.

Huang's diagnosis of the maladies afflicting rural China is clearly informed by one of the foundational myths of neo-classical economics—the ideal of competitive capitalism. Free competition, it is assumed, creates a level playing field on which small entrepreneurs naturally flourish. If small entrepreneurs are squeezed out, it must be the fault of the state, which tips the playing field to the advantage of favoured players. The reality is quite different. Market competition intrinsically centralizes property without the need for state intervention. Winners squeeze out losers, amass capital, capture market share and block new entrants. The state often facilitates this process by favouring the winners, but it can also inhibit it by protecting the weaker players. Over the last two centuries, peasants and small rural entrepreneurs have been the main losers as capitalism has swept across the globe. Where they have survived and continue to play an important role in advanced capitalist economies (as in a number of European and East Asian countries), it is only because state intervention has protected them from the incursion of capital. In China, small rural enterprises flourished under state protection in the 1980s and suffered after this protection was withdrawn in the 1990s. Huang's underlying notion—that free markets favour the countryside and state intervention favours the city—is simply wrong. Free markets favour the city, and without state protection the rural household sector in China will continue to decline.

Good and bad inequality

In 1989 the economic sociologist Victor Nee predicted that market reforms in socialist countries would reduce inequality by shifting income from 'redistributors' (state and party officials) to 'direct producers'. He illustrated this idea by discussing rural decollectivization in China, which allowed peasants directly to reap the rewards of their labour, but then went on to elaborate a general theory of 'market transition' applicable to

the entire PRC and, indeed, to all socialist countries.⁴ Published at a triumphant moment for free-market ideology, Nee's article became a focal point of academic discussion. Over the next decade, as rapid class polarization in China and former Soviet bloc countries belied Nee's sanguine predictions, scholars moved on to other theories—notably on the extent to which market reforms have enhanced the value of (good) human capital and reduced the value of (bad) political capital. Nevertheless, the expectation that markets produce equality has continued to inspire new, more elaborate, interpretations of post-socialist history. Huang's is among the most creative. Yet his basic thesis—that the spectacular rise of income inequality in China in the 1990s was caused by state suppression of private enterprise—is difficult to square with the facts. During the 1980s, almost the entire urban population worked in the state and collective sectors and most off-farm rural employment was provided by collective enterprises. By the end of the next decade, although a significant public sector remained, the private sector had come to dominate both urban and rural China. The rise of income inequality in the 1990s was, in fact, accompanied by the rapid expansion of the private sector at the expense of the public.

There is, however, a kernel of truth in Huang's argument: social inequality was limited in the 1980s in part because government policies facilitated the development of small household enterprises in the countryside, and it grew in the 1990s because government policies no longer favoured these enterprises. The problem with Huang's broader argument is that he conflates two fundamentally different types of private enterprises: household and capitalist.⁵ Capitalist enterprises, which were prohibited until 1988, grew rapidly in the 1990s. Conventional Marxist analysis suggests the following explanation for the rise of inequality in China. In the 1980s, the Chinese economy was predominantly composed of state, collective and household enterprises, all of which limited income inequality. In the state and collective sectors, wage differences were regulated by the state and were relatively compressed, while in the household sector, property was distributed relatively evenly. In the 1990s, as the capitalist sector expanded at the expense of the public and

⁴ Victor Nee, 'A Theory of Market Transition: From Redistribution to Markets in State Socialism', *American Sociological Review*, vol. 54, no. 5, 1989.

⁵ The economic logics of household and capitalist enterprises are fundamentally different. Household enterprises depend on family labour and they therefore must make consumption their main goal, while capitalist enterprises depend on wage labour and they are therefore able to make profit their main goal.

household sectors, property was concentrated in fewer hands, wage differences increased sharply and income inequality grew.

Huang, of course, interprets things differently. He starts from a simple free-market ideological premise. There are, he writes, good and bad mechanisms for creating income differences: inequality arising from market incentives is good, while inequality arising from anti-competitive privileges is bad. Using the United States as a benchmark for inequality arising largely from 'good' mechanisms, Huang cites scholars who estimate that China's Gini coefficient (the widely-used measure of income inequality) surpassed that of the United States in the early 1990s. 'Based on these numbers', he writes, 'we can argue that in the 1980s, the rise in the Gini [in China] was due to the workings of the economic incentives, whereas in the 1990s, it was due to the blockage of economic opportunities.'⁶

This perspective colours Huang's analysis throughout the book; he is adept at finding 'bad' inequality caused by the state and blind to 'good' inequality caused by market mechanisms. In one of his most interesting tables, for instance, Huang scrutinizes data about the economic activities of a sample of 20,000 rural households between 1986 and 1999 (reproduced as Table 2, opposite). He compares the amount of time rural households spent carrying out their own business activities with that spent working for wages, and then calculates the income they reported from each, during three periods. He shows that during the last period (1992-99), members of rural households spent relatively less time working in their own businesses and more time working for others, even though they earned much more per day from their own business activities than from wages. In fact, over time the return to labour expended on a household's own business activities increased by 36 per cent, while local wages declined by 33 per cent, and yet rural households chose to spend more time working for others. From this, Huang concludes that it must have been more difficult for rural households to engage in their own businesses in the 1990s, forcing members of these households to work for others instead. This, he suggests, must have been the result of government policies, and he uses this deduction to help make his case that the government became more hostile to rural enterprise in the 1990s.

⁶ Huang, *Capitalism with Chinese Characteristics*, p. 258.

TABLE 2. *Daily Earnings and Labour by Employment Activities*

A. Household Business	1986-88	1989-91	1992-99
<i>Non-farm business</i>			
Income per day (¥)	9.4	9.6	12.0
Labour days	82.6	83.9	97.3
(as % of business and paid employment)	(34.2)	(36.1)	(29.0)
<i>Industry</i>			
Income per day (¥)	12.5	12.1	17.0
Labour days	22.8	22.5	19.6
(% of non-farm business)	(27.6)	(26.8)	(20.1)
B. Paid Employment			
<i>Local employment</i>			
Income per day (¥)	9.0	10.3	6.0
Labour days	86.9	71.0	143.4
(as % of business and paid employment)	(36.0)	(30.6)	(42.7)
<i>Migrant employment</i>			
Income per day (¥)	3.7	4.2	6.8
Labour days	49.1	55.0	75.3
(as % of business and paid employment)	(20.4)	(23.7)	(22.4)

Source: Huang, *Capitalism with Chinese Characteristics*, p. 122.

What Huang does not see in the table is more interesting than what he does, and it suggests conclusions that are at odds with his broader thesis. The figures, in fact, show the dramatic class polarization that was taking place *within* rural China. After 1992, of the growing number of rural residents engaged in non-agricultural activities, a smaller proportion were operating their own businesses and they were making much more money, while a larger proportion were working for others and they were making much less money. Presumably, the average income of entrepreneurs was increasing because some were operating larger businesses and employing more workers (as is evident from the data in Table 1). The pro-capitalist policies of the 1990s were allowing the most successful rural entrepreneurs to enlarge their businesses, driving out weaker competitors and compelling the latter to hire out their labour.

The most interesting figures in this table concern falling wages. Before 1992, rural residents who worked locally earned an average of nine or ten yuan a day in wages (in 1978 prices), while after 1992 they earned only six yuan a day. The great majority of these wage-labour jobs were in enterprises that were originally owned by townships and villages, most of which were privatized starting in the mid-1990s. Even more interesting is the comparison between the wages for local and migrant employment (often in urban areas). Most scholars assume that rural residents greatly benefited from the opening of urban jobs to rural migrants in the 1990s. Huang's data, however, suggest the opposite. For rural residents, local village jobs in the 1980s paid far better wages than distant urban jobs in the 1990s. In the 1980s, the labour market was highly constricted and most township and village enterprises hired local villagers, while urban SOEs provided permanent jobs to city residents. Urban jobs paid more and had better benefits, so the exclusion of rural residents from these jobs was certainly unfair. The privileged labour conditions in urban enterprises, however, allowed lower-wage rural enterprises to thrive, and they set a relatively high ceiling under which these enterprises could successfully compete and still pay decent wages. In the 1990s, the labour market was opened up, allowing rural migrants to compete for urban jobs, and at the same time the capitalist transformation of urban China compelled urban enterprises to compete to lower labour costs. The result was a race to the bottom, in which rural workers ended up making less in urban jobs than they had in the collective enterprises in their own villages, many of which were now closing.

In 1978, before market reforms, income inequality in the PRC, as measured by Gini coefficients, was among the lowest in the world. Three decades later, it is among the highest. The current Gini coefficient can be attributed to three main factors: the rural-urban income gap, regional disparity and differences within localities. All three have increased substantially, especially since China's capitalist turn in the 1990s. The culpability of pro-capitalist market reforms is clearest with regard to income differences within localities, where class differentiation is the key factor, but capitalist transformation has also exacerbated rural-urban and regional disparities. During the Mao era, the state took extraordinary measures to shift industrial capacity from China's coastal region to the interior, and it promoted local and regional self-sufficiency. These policy goals, which many mainstream development economists have derided as economically inefficient, underpinned the creation of

many township and village enterprises in the 1970s, when every rural commune was encouraged to build small factories. As a result, rural industries were much more evenly distributed across China's provinces than they are today (although they were still skewed toward the more developed regions). This legacy was still evident in the 1980s, when national and international commerce was limited, and many rural industries produced for local and regional markets. As more thoroughgoing market reforms removed impediments to national and international trade and investment, however, capital flowed to major cities and the coastal region, which developed much more rapidly. State policies, including tax breaks for foreign investment and government promotion of export-oriented industries, exacerbated this process, but the main factors have been the competitive advantages enjoyed by large firms and the geographic advantages enjoyed by major cities and coastal areas.

Dismantling state provision

To strengthen his case about the harm done by urban bias during the 'state-led decade' of the 1990s, Huang includes an extensive section on declining health and education indices in rural China. His arguments here, however, are even more problematic. To his credit, he acknowledges that tremendous gains were made during the Mao era, when basic education and health care were extended to almost all villages and were provided at minimal cost.⁷ He then deftly skips over the 1980s with a few carefully crafted sentences and argues that rural literacy and health indices have declined because the urban-oriented regime of Jiang Zemin and Zhu Rongji neglected the needs of the countryside. In fact, it was during the 1980s that the real damage to both the rural education and health-care systems was done. Between 1978 and 1983, the post-Mao leadership, which believed that Mao had put too much emphasis on basic education, closed tens of thousands of village and township schools and shifted resources to elite education, leading to a sharp drop in primary- and middle-school enrolment. With regard to health care, Huang's heroes, Zhao Ziyang and Wan Li, are particularly to blame for the collapse of the rural health-care system because they led the way in dismantling the rural collective system on which it had depended. Between 1978 and 1984, as the village collectives were broken up, the

⁷ Distribution of these services during the Mao era was fundamentally unfair: in cities, education and health care were provided by the state and the quality was superior, while in villages, rural collectives underwrote much of the cost and the quality was inferior.

cooperative health-service system broke down and the 'barefoot doctors' (who had been paid by the collectives) set up private practices or went into other lines of work. Zhao and Wan were, indeed, champions of peasant enterprise, but as ardent advocates of marketization they had little regard for social goods provided by collective and state institutions.

By the time Jiang and Zhu took over in the 1990s, the damage to the rural health-care system had already been done. What they did was to extend market reforms to the city, dismantling the work-unit system, which had provided basic health care and insurance for employees of state-owned and collective enterprises. So, on this particular front, Jiang and Zhu actually reduced rural-urban inequality by destroying the health-insurance system on which urban residents depended. At the same time, commercialization and corruption drove up fees for health care (as well as education), which hurt both the rural and urban poor.

As they carried out market reforms in the 1980s and 90s, then, China's leaders dismantled the collective and state institutions on which health-care provision was based; only in recent years have they begun seriously to build a new health-insurance system. So far, both coverage and benefits are limited, especially in the countryside. By adding his voice to those calling for greater state provision of health care, Huang takes a stand at odds with harsh *laissez-faire* policies. In his analysis, however, Huang not only misallocates blame, but also misdiagnoses the cause of the problem. It was not urban bias but market reforms that undermined the health-care system.

The shortcomings in Huang's analysis are clearly tied to his general ideological approach, in which markets solve problems created by the state. In line with the logic that markets create 'good' inequality and the state creates 'bad' inequality, Huang focuses on politically derived privileges and corruption when analysing the causes of growing inequality in the 1990s. The fundamental problem, according to his account, is that the 'state-led' orientation of the 1990s engendered a system of crony capitalism, and the solution is to privatize the economy still further. Corruption is indeed widespread in China today and the term 'crony capitalism' is not inappropriate. When public enterprises were privatized most were sold to insiders. Well-connected former officials have established many of the most successful new private enterprises; meanwhile both public and private firms routinely engage in disreputable behaviour to curry favour

with officials. It does not follow, however, that state involvement in the economy is the problem and privatization is the solution.

Over the last three decades, corruption and privatization have grown in tandem. During the Mao era, when state and collective ownership prevailed, corruption was effectively controlled through administrative and political methods (and by the fact that no one was allowed to accumulate much private wealth). In the 1980s, corruption increased along with privatization, but both did so modestly. At that time, the government continued to be much more deeply involved in the economy than it is today. This was true in rural as well as urban China, and the kind of political connections that Huang laments in the PRC's cities today were ubiquitous in the rural economy of the 1980s: rural officials ran TVES, party cadres and their family members and friends began to establish private operations, and successful entrepreneurs of more humble origins cultivated official ties. The managers of state and collective enterprises, however, continued to have civic obligations, and they operated under administrative and public scrutiny, which curbed their venality. It was only in the 1990s, with the privatization of most of the economy, that corruption reached the proportions seen today. Privatization replaced civic obligations with an unbridled orientation towards profit, which led to corruption on a much larger scale.

Protecting capital

Rural China is home to hundreds of millions of people, and it remains a realm of peasant subsistence production and small enterprise. The capitalist turn of the 1990s put tremendous pressure on peasant households and small rural enterprises, as large capitalist companies steadily took over fields of entrepreneurial activity on which rural households depended, in industry, transport, commerce and even agriculture. More and more rural families now depend at least in part on income from wage labour, and many rural residents migrate long distances in search of work. According to official estimates, rural migrants now number more than 130 million.

The government of Hu Jintao and Wen Jiabao, who took over after the 16th CCP Congress in 2002, is clearly concerned about the social disruption and popular protests caused by radical market reforms, and it has taken a number of measures to improve social conditions in rural China.

Most significantly, agricultural taxes have been eliminated, grain-price subsidies have been increased, state investment in rural infrastructure has been expanded, and rural health and education spending has grown. In addition, a new Labour Contract Law, enacted in 2008, calls for improved wages and benefits for migrant workers and requires large companies to offer permanent employment to workers with over ten years of service. On the other hand, the government has relaxed restrictions on land leasing, with the express purpose of promoting the development of large-scale agribusiness. All of these policies have been controversial, and protracted battles continue over implementation. Employers have stalled on the labour law, and export-oriented manufacturers have been particularly vociferous, complaining that it will put them at a competitive disadvantage in global markets. Peasant advocates have opposed long-term leasing of farmland, arguing that it will create a large landless population.

The question at the centre of the most contentious issues is: should the state protect workers and small entrepreneurs from capital? Or should the state promote the interests of large-scale enterprises by eliminating such protections? Where, it is instructive to ask, does Huang stand on this question? Huang styles himself as the advocate of *all* indigenous private entrepreneurs in China, large and small. Indeed, as I have noted, he does not conceptually distinguish between small household businesses and large capitalist enterprises. On the one hand, small rural entrepreneurs are the stars of the book. He highlights the poorest and most vulnerable among them, arguing that entrepreneurship has thrived especially in the poorest regions of China and among the poorest strata of the population, those most neglected and least controlled by the state. On the other hand, Huang also includes among his heroes wealthy private entrepreneurs who have built multi-billion yuan corporations. While he spends much of the book celebrating the enterprising spirit of small rural entrepreneurs and lamenting their decline, he also insists that China must strive to create a more capable, sophisticated, technologically advanced and competitive capitalist sector by eliminating the 'adverse business environment' that 'hampers the expansion and corporate development of Chinese private-sector firms'.⁸ Ultimately, his prescriptions add up to a coherent programme to promote China's corporate private sector.

⁸ Huang, *Capitalism with Chinese Characteristics*, p. 292.

Huang calls for less 'government interventionism' and for 'further liberalization' of economic policy in general, and his main practical concern is to reduce further the size of the state sector and remove the remaining privileges enjoyed by state enterprises. He also calls for the elimination of the remaining obstacles to a unified national market for trade and investment, which would allow Chinese firms to expand so that they can compete successfully with foreign firms. Huang, however, is not a market fundamentalist. Indeed, he favours some of the market restrictions that had previously protected indigenous entrepreneurs from foreign capital. He was not a supporter of China's entry into the WTO, and he sees the utility of protecting the Chinese market, especially with regard to foreign investment. He is critical of the CCP's decision to promote foreign direct investment, and you will not find in his book the familiar Western demands that the PRC further open its capital markets or allow the yuan to float freely.⁹ Some of the policies to protect domestic capital that Huang favours would clearly be advantageous to a wide array of Chinese entrepreneurs, large and small.

Yet while Huang would like to protect all Chinese entrepreneurs from foreign capital, he has no use for market restrictions that protect small entrepreneurs from domestic capital. He sheds no tears over the elimination of the prohibition on private enterprises hiring more than seven employees, a regulation that in the 1980s enabled small household businesses to operate in many fields that would otherwise have been dominated by larger companies. He also believes that the government has no business protecting workers' jobs or interfering in conditions of employment, and he specifically criticizes the 2007 Labour Contract Law. If enforced (unfortunately, most Chinese labour laws are not), the law would improve the bargaining power of wage workers, including the burgeoning number of rural migrants, and it would also improve the competitive position of small enterprises (which are exempted from the law's requirements) as they struggle to hold their own against larger companies. Huang, however, is concerned that the law 'will be very damaging to the economy'. It will, he writes, create labour-market rigidity that will 'reduce the incentives of entrepreneurs to create businesses and will drive away existing businesses to countries such as Vietnam and India'.¹⁰

⁹ Huang also discussed these issues in his previous book, *Selling China: Foreign Direct Investment during the Reform Era*, Cambridge 2003.

¹⁰ Huang, *Capitalism with Chinese Characteristics*, p. 297.

Today, the biggest threat to the long-term viability of the rural household economy comes from efforts to concentrate farmland and develop large-scale agricultural enterprises. After the rural collectives were dismantled in 1978, the land remained village property but was divided equally among village families, and the sale and leasing of land was strictly controlled to prevent land concentration and the creation of a landless population. Although these restrictions have been relaxed over the years, they continue to protect the access of rural households to land, a key foundation of the small peasant economy. For some years, however, free-market advocates have been pressing to privatize agricultural land. While presenting themselves as champions of peasants' rights—that is, clearly delineated individual property rights—and claiming to be concerned about improving peasants' incomes, they explicitly argue that privatization is necessary in order to concentrate farmland and allow the development of larger, more efficient agricultural businesses.

For its part, the state has been experimenting with allowing agribusinesses to lease farmland, and it may permit the individual sale of long-term use rights, which would result in *de facto* privatization. The CCP leadership is clearly divided on this issue, with some favouring the private concentration of farmland and others warning that this would result in social instability as rural families lose their means of subsistence. What is Huang's position? Although he denounces corrupt officials who seize peasants' land for urban development projects, in his book he steers clear of the issue of privatizing and concentrating farmland. Elsewhere, however, he has called for 'granting full trading rights of land to rural residents', which is the catchphrase of those who want to develop corporate agriculture.¹¹

Huang's programme to create favourable conditions for the expansion of China's indigenous capitalist sector would not bring any relief to the great majority of the rural population, which depends on a combination of subsistence farming, small enterprise and wage labour. In order to promote the development of capitalist enterprises, Huang seeks to keep wages low and employment flexible, continuing to squeeze rural families that rely on the income of members who go out to work. Moreover, because the capitalist sector is expanding at the expense of small enterprise, his

¹¹ Huang, 'China's rise relied on a rural miracle. So does its future', *Guardian* blog, 17 May 2009. Also see Huang, 'Nongcun gaige de weijing zhiye' [Unfinished tasks of village reform], *FT Zhongwen wang* [Financial Times Chinese Net], 18 August 2009.

programme would end up driving more rural household enterprises out of business. This is hardly a prescription to save China's rural poor.

Huang's book is popular because it seems to confirm—with elaborate statistical analyses—a common understanding of what is happening in Chinese society today: wealthy and corrupt officials are lording it over a hard-working population. This understanding is not altogether wrong. Corruption is rampant, and party and state officials are lining their pockets while most people are struggling to survive. The biggest problem, however, is that these officials are allowing increasingly powerful capitalist companies to run roughshod over their employees and smaller competitors. Huang's advice—to loosen the reins—would only make things worse.

new from polity

The Futurism of the Instant

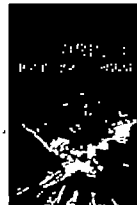
Stop-Eject

Paul Virilio, European Graduate School

'One of the most fascinating and provocative thinkers of our contemporary moment'
Douglas Kellner, UCLA

With around 645 million people expected to be displaced by wars and other catastrophes by 2050, Virilio considers what the resultant loss of identity might mean, not only in terms of the exhaustion of biodiversity, but also in terms of the catastrophic elimination of temporal diversity, with the compression and fragmentation of time enabled by the nanotechnologies in an ever increasing acceleration of reality

October 2010 120 pages • 978-0-7456-4864-4 pb £9.99 • 978-0-7456-4863-7 hb £40.00



Foucault

His Thought, His Character

Paul Veyne, Collège de France

'It is fascinating to follow Paul Veyne's engagement with Foucault: he was extremely close to Foucault, as the celebrated history of sexuality developed as a project, and this essay, which mixes reminiscences with argument and reflection, captures a real flavour of the intellectual excitement of those times'

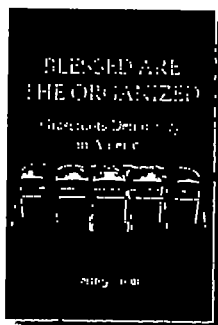
Simon Goldhill, University of Cambridge

July 2010 216 pages • 978-0-7456-4642-8 pb £15.99 • 978-0-7456-4641-1 hb £50.00



available now from all good bookshops

politybooks.com 



Blessed Are the Organized

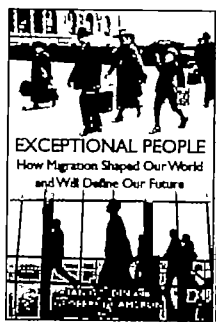
Grassroots Democracy in America

Jeffrey Stout

"This engaging book makes a significant contribution to the ongoing discussion of the character and future of American democracy. It introduces readers to a long-standing and effective community organizing movement, and offers a hopeful but realistic assessment of what could happen if this model were implemented more widely and consistently."

—Robin W. Lovin, Southern Methodist University

Cloth \$29.95 978-0-691-13586-1



Exceptional People

How Migration Shaped Our World and Will Define Our Future

Ian Goldin & Geoffrey Cameron

"A sweeping and constructive study. With a deep sense of what sort of creatures we humans are, this book takes us through millennia in the unending quest of people for development and discovery. It suggests that population movements have been the carriers of innovation from one region to others. It will change, if anything can, the way governments and international organizations view immigration policy."

—Edmund S. Phelps, Nobel Prize-winning economist

Cloth \$35.00 978-0-691-14572-3



The Propriety of Liberty

Persons, Passions, and Judgement in Modern Political Thought

Duncan Kelly

"This deep, rich, and original book carves out a distinctive approach to freedom which will reshape the current contours of inquiry. In addition, it offers fresh and subtle interpretations of selfhood and self-ownership, and of the relationships between passions, persons, publicity, and judgment."

—Hannah Dawson, University of Edinburgh

Cloth \$39.50 978-0-691-14313-2



PRINCETON UNIVERSITY PRESS

800.776.7723
press.princeton.edu

THE POLITICS OF CHINA'S PATH

A Reply to Joel Andreas

AS FAR AS I am aware, the review of my *Capitalism with Chinese Characteristics* by Joel Andreas in *New Left Review* is the most detailed and thorough to date.¹ Most other reviews, especially those that appeared in the financial press, have tended to pick up one or two things from the book and to highlight connections with the current economic downturn, which is their real interest. Andreas focuses closely on the differences between Chinese government policy in the 1980s and in the 1990s, which are at the heart of my reasons for writing the book in the first place. For that, I greatly appreciate his critique.

Andreas disagrees most strongly not so much with the factual account I provided in the book, but with how I framed the issue. I have, he argues, an almost instinctive leaning toward an explanation based on free-market economics, whereas his preferred interpretation derives from a Marxist perspective. First, let me point out that Andreas seems to have a similar *normative* view of the 1980s and 1990s to mine. That is to say, both of us view the former decade more favourably than the latter. I would venture to say that this fact alone sets the two of us apart from about 90 per cent of China specialists.² So despite the strong criticism that Andreas has levelled at my book, it is important to point out that we do have some things in common.

Second, although we agree on larger factual issues, we disagree on some critical facts. These are not minor details: they have an important role in adjudicating between the two conflicting perspectives on China's reforms. Andreas claims that the real damage to the rural health and

educational system occurred in the first half of the 1980s, and criticizes me for 'deftly' skipping over this crucial failing of that decade. This is both unfair and untrue. First of all, I did not 'skip' the question; indeed, I provided the facts that animate Andreas's criticism. Secondly, I cited both data and research by other scholars to show that withdrawals from rural primary education in the early 1980s were due to the rising *opportunity* costs of education. Thanks to the rural reforms, the income potential of rural households rose sharply; in response, parents began to withdraw children from schools and put them into the labour force. As I pointed out in my book, this did not last long. By the mid-1980s, the enrolment ratio had pretty much recovered to the level prevailing before the reforms.

This gets us to the critical difference between the 1980s and the 1990s. In the 1980s, withdrawals from rural education were voluntary—they were a response to rising economic opportunities. In the 1990s, as indicated by the detailed data I provided in my book, the Chinese government increased sharply the surcharges on education and healthcare, deterring rural households from sending their children to school. To draw an analogy: I would have thought that there is a fundamental difference between, for example, students dropping out of Johns Hopkins because they found lucrative earning opportunities elsewhere—think of Bill Gates, a famous college dropout—and students dropping out because they could not afford the tuition fees. A reasonable reader would agree that the second scenario is far less desirable than the first, as I did in my book. But apparently not Andreas.

Chronologies

Another—seemingly minor—factual detail revolves around the timing of the demise of Chinese rural economy. Andreas questions my argument that the decline of the rural economy had its origins in the post-1989 ascendance of a group of new, urbanite leaders. He points out that the rural economy began to falter not in 1989 but around the mid-1990s. His theory is that the demise of the rural economy—and that of the Township and Village Enterprises in particular—was related to a fall in grain prices in 1996 and to the large-scale privatization of the TVEs in the late 1990s. I say 'seemingly', because the question of timing

¹ See above: Joel Andreas, 'A Shanghai Model? -On *Capitalism with Chinese Characteristics*', NLR 65, Sept–Oct 2010.

is not minor at all. This version of the chronology would indeed fit with Andreas's view that the faltering of the rural economy was not due to urban biases in government policies, but to capitalistic practices such as TVE privatization.

The problem, again, is that the facts are unfortunately not in Andreas's favour. While his explanation might fit with the conventional view that TVEs were mostly run by the local governments, this picture is factually incorrect. It is particularly incongruous for an argument along these lines to be used as an indictment of *Capitalism with Chinese Characteristics*: as far as I am aware, the book was among the first to produce carefully examined documentary evidence to establish the true ownership origins of the TVEs and to demonstrate that they were largely a private-sector phenomenon in the first place. This is a matter in which I take some pride. As a proportion of the total number of TVEs, the state-run TVEs were minuscule; it defies common sense to attribute the demise of the entire TVE sector to the privatization of a small number of state-run firms.

Andreas objects that state-owned TVEs accounted for a larger share of employment. This is true on average, for the country as a whole. But the national average is less important than the situation in the poorer provinces; after all, it is poor provinces that need development the most. Here, private TVEs were far more important. Moreover, the demise of the TVEs took place across the board, and was not limited to the state-owned sector. Another factual detail is even more damning: the state-run TVEs that were privatized in the late 1990s were incurring massive losses at the time of their sale; the government privatized them precisely because they were already doing very badly. In this light, it is rather strange to argue that privatization itself contributed to their bad performance. Privatization can no more explain the demise of the state-run TVEs—let alone those TVEs that were private in the first place—than chemotherapy can explain the demise of a patient with terminal cancer.

How to explain the temporal mismatch between the 1989 political transition and the demise of the rural economy in the mid-1990s is a more legitimate question. But there is nothing there that cannot be answered with some digging into the data and the facts provided by my book. I concede that the issue is sufficiently specialized to raise questions in the mind of the casual reader; it is more puzzling that Andreas, who paid much closer attention to its minutiae, should have

failed to note my explanation. I documented two developments since 1989. One has to do with immediate policy changes in that year, mostly macroeconomic in nature—curtailing loan growth, for example. For some reason these policies had a huge instantaneous effect on rural incomes (more than on urban incomes, although the latter were also affected). The other development is more long-term and has to do with a financial reversal in rural China. Based on my reading of a multitude of bank documents, I dated that financial reversal to around 1993 and 1994. One person who is widely credited—if I can use that term—for the massive crackdowns on small-scale, informal rural lending is Zhu Rongji, Vice Premier and then Premier between 1998 and 2003. When did he become the official in charge of financial policies? In 1993, when he took over the governorship of China's Central Bank. There is no mismatch in timing at all.

Urban emphases

Let me now turn to the fundamental difference between my views and those of Andreas. He sees the urban bias of the 1990s as the natural and inevitable product of capitalistic development, whereas my own view is that this is the result of a semi-exogenous shift of policy emphasis—and of high politics—unrelated to the development of capitalism per se. There is a flavour of 'he says; she says' here. I presented a perspective and Andreas presents an alternative one. This is entirely fair: much scholarly debate in social-science research consists of 'horse races' between different ideas, to see which pulls ahead. My own book is a horse running against the view, prevalent among China scholars, that the PRC's reforms are best described as a gradual, ever-deepening process of capitalistic development. Although on a normative level, Andreas seems to agree with me that the 1990s represented a deterioration in the country's economic situation, on a positive level he is in the same camp as the gradualists—that is to say, the reforms continued to deepen the path to capitalism. The difference is that while the gradualists celebrate this development, Andreas deplores it.

In an ideal situation, the way to resolve the two conflicting perspectives proposed by Andreas and myself would be to collect data and somehow come up with a measure of 'capitalistic development'. Then the horse race could consist of correlating this measure with the urban and rural biases on which we both focus. This is unrealistic, however, and I suspect

that the readers of *NLR* would not be too enamoured of the approach. I propose a different method: to step back and think about the general plausibility of Andreas's idea—that an urban bias is the natural product of big capitalism. Let us take some concrete examples: the United States, the European Union and Japan. Are these economies afflicted with urban biases in their policies? I imagine that Midwestern farmers would be surprised to learn that they are powerless victims in the American capitalist system. It is well known—and this should not be news to Andreas—that the US Congress showers billions of dollars on the country's farmers every year. In fact, the subsidy to corn-growers is so outrageous that it is now blamed as a contributing factor to the rising levels of obesity in the United States, since cheap, subsidized corn is the basis of so many junk foods.

Similarly, the populations of developing countries would be amazed to hear that European farmers are powerless, since one of the biggest issues in the current Doha round of trade negotiations is the unwillingness of the EU countries to stop subsidizing their rich farmers through the multi-billion euro Common Agricultural Policy, thus rendering agriculture in poor countries uncompetitive. And in Japan, it was the political support of the farmers—a tiny fraction of the overall population, but with an entirely disproportionate political weight—that sustained the Liberal Democratic Party in power for so many decades after the Second World War. The same point can be made in terms of the logical postulate that, if big capitalism leads to an urban bias, then we would expect 'big socialism' to be the natural ally of the rural sector. Here the history is pretty nasty: Joseph Stalin and the famines in Ukraine, or the Great Leap Forward in China, in which an estimated 30 million rural Chinese perished.

Andreas is simply asserting an idea that has absolutely no empirical basis; in fact, all the available empirical evidence directly contradicts it. To be sure, I have not explicitly related his idea to China in the 1980s and in the 1990s, but when an idea is bereft of basic factual accuracy and analytical plausibility in general, it is wrong in specific situations too. My idea—that high politics in China, in the wake of Tiananmen, was the underlying reason for the urban bias of subsequent economic development—may still be proved wrong; but Andreas's criticisms do not come close to debunking it.

AMERICAN POLITICS FROM

SUNY
P R E S S



THE OBAMA EFFECT

*Multidisciplinary Renderings
of the 2008 Campaign*

Heather E. Harris, Kimberly R. Moffitt
and Catherine R. Squires, editors

\$26.95 paperback 978-1-4384-3660-9

'A refreshingly balanced interrogation of many issues the candidacy and presidency of Barack Obama has unearthed in American society, politics, and identity construction . . . a much-needed substantive body of work trapped neither by Obamamania nor Obamaphobia.'—Ricky L. Jones



WHO SHOULD BE FIRST?

*Feminists Speak Out
on the 2008 Presidential Campaign*

Beverly Guy-Sheftall and
Johnnetta Betsch Cole, editors

\$24.95 paperback 978-1-4384-3376-9

'... a contemporaneous record of a riveting rhetorical battle, especially among the feminists, over the preeminence of race or gender. Guy-Sheftall and Cole's compilation of the perspectives of journalists, professors, public intellectuals, students, and bloggers—including such influential voices as Gloria Steinem, Katha Pollitt and Mark Anthony Neal—has captured the mood of this momentous event.'—*Ms. Magazine*

www.sunypress.edu

JULIAN STALLABRASS

MUSEUM PHOTOGRAPHY AND MUSEUM PROSE

THE STATUS OF photography in the museum has changed radically over the last twenty years.¹ What had been a marginalized, minor and irregularly seen medium has become one of the major staples of museum display, and has taken its place alongside painting in terms of scale, sophistication and expense. The defence of photographic work in criticism and art history has acquired much of the portentousness and high seriousness that were once reserved for painting. This extraordinary development raises various questions: what has the museum done to photography in this accommodation (as well as vice versa)?² How has it been framed, literally and conceptually? What are its viewers encouraged to think about it, and how? Has there emerged a form of photography, distinct from the mass of photographic production, that it is worth calling 'museum photography'? One way to get a hold on these questions is to examine the remarkable career of Jeff Wall.

Wall, born in 1946, is one of the most prominent photographic artists on the contemporary art scene, and indeed one of the most successful artists working in any medium. His largest retrospective yet was held in 2005 in the vast spaces of the Schaulager, Basel, and was followed by a sequence of exhibitions in premier art spaces around the world (including MoMA, Tate Modern, the Art Institute of Chicago and the Guggenheim Berlin), and the publication of a *catalogue raisonné* of his photographic work to date, along with a collection of his writings.³ But what is striking is not merely the production of the standard literature that would surround the reputation of any successful artist, but the degree to which his work attracts academic attention. An entire number of the *Oxford Art Journal* was devoted solely to its examination. In a

special issue of *Art History* about 'Photography after Conceptual Art', no fewer than three of the ten articles carried substantial discussions of Wall. He has received sympathetic treatment from such figures as Hans Belting, Jean-François Chevrier and Michael Newman.⁴ More recently, Wall has been taken as the major, and paradigmatic, figure of Michael Fried's attempt to refashion the discussion of museum photography in the light of the themes that have sustained his writings since the 1960s: theatricality and absorption.⁵ Wall is the ideal figure to examine here, not merely because he was one of the first prominent museum photographers but because his work has been most successful in generating a museum prose of the photograph.

Wall is unusual, among major artists, both in having academic training at doctoral level in art history, and in not migrating to one of the great international art centres, remaining in his native Vancouver, which has its own distinct and fertile art scene (one that counts Stan Douglas and Rodney Graham among its other major figures). Through teaching and example, Wall has had a great influence over younger generations of the city's artist-photographers. Vancouver is the stage for most of Wall's photographs, though the attraction is less its beauty and distinctiveness than the way in which it is typical of smaller post-industrial cities which lie beyond the major financial and cultural centres that compete with each other globally.⁶ Wall depicts Vancouver, devoid of charismatic sights, as a place of unexceptional urban and suburban vistas in which human

¹ I would like to thank Malcolm Bull, Sara Knelman and William Wood, who offered comments on a draft of this essay from which I have benefited greatly. I also gave some of this material in lecture and seminar form to the Department of Art and Art History, and the Humanities Center at Stanford University, and have benefited from the conversations in both places.

² The latter question was the subject of Douglas Crimp's well-known analysis, *On the Museum's Ruins*, Cambridge, MA 1993.

³ Theodora Vischer and Heidi Naef, eds, *Jeff Wall: Catalogue Raisonné 1978–2004*, Basel and Göttingen 2005; Jeff Wall, *Selected Essays and Interviews*, New York 2007.

⁴ Respectively: Steve Edwards, ed., *Oxford Art Journal*, vol. 30, no. 1, 2007; Jeff Wall Special Issue [henceforth OAJ]; Diarmuid Costello and Margaret Iversen, eds, 'Photography after Conceptual Art', *Art History*, vol. 32, no. 5, December 2009; Hans Belting, *Looking Through Duchamp's Door: Art and Perspective in the Work of Duchamp. Sugimoto. Jeff Wall*, Cologne 2009; Jean-François Chevrier, *Jeff Wall*, Paris 2006; Michael Newman, *Jeff Wall: Works and Collected Writings*, Barcelona 2007.

⁵ Michael Fried, *Why Photography Matters as Art as Never Before*, New Haven 2008.

⁶ 'Dirk Snauwaert: Written Interview with Jeff Wall' (1996), in *Selected Essays and Interviews*, p. 263.

figures are carefully disposed. He makes scenes which are often seen as updates of Baudelaire's vision of an art that would capture everyday life, and while the concept of the 'everyday' has certainly shifted in Wall's work over the decades, he remains devoted to producing meticulous and elaborate reconstructions of mundane scenes and incidents.

Wall is best known for his large lightbox transparencies, which are photographic positives or slides encased in shallow metal cabinets, backlit with fluorescent tubes. The technique of backlighting is common in advertising, particularly at bus stops, but is also a magnification of the light-tables found in any professional photographic processor or art history department. The contrast and chromatic vibrancy of the slide greatly exceed those of any print, and Wall's big pictures have long been among the most immediately impressive weapons in the museum's photographic arsenal: these huge, illusionistic photographs of apparently everyday contemporary scenes are highly readable, in the sense that their every element is clearly identifiable, and their combination suggests a narrative. Wall rejects the idea that the lightboxes are in and of themselves critical objects pitched against advertising. Rather, he says, they are 'a supreme way of making a dramatic photographic image'.⁷ He was among the first artists in the new wave of museum photographers to realize the spectacular potential of the massive enlargement. Unlike the photojournalists from whose work he draws, Wall uses large format cameras to make big pictures that will withstand close examination. As with academic history or mythological painting, viewers shuttle between standing back to take in the whole scene and moving forward to inspect detail. Even now, when such large-scale photography has become a museum standard, Wall's work offers a distinct combination of world-view, style, technical prowess and manufactured object.

In Wall's most ambitious and complex works, such as *A Sudden Gust of Wind (after Hokusai)* of 1993, the image is assembled from numerous photographic elements, digitally montaged, much as a nineteenth-century history painting would have been brought together from many individual figure studies. (Indeed, Wall's work appears to bear the traces of that technique, showing a slightly awkward interrelation of figures

⁷ 'Representations, Suspicions, and Critical Transparency: An Interview with Jeff Wall by T. J. Clark, Claude Gintz, Serge Guilbaut, and Anne Wagner' (1989), in Wall, *Selected Essays*, p. 222.

reminiscent of large-scale figure pieces by Ingres, for example.) While art history is invoked in the title, composition, scale and the posing of the figures, pieces such as *Sudden Gust* also have the look of movie stills, or rather of the publicity shots taken on the sets of movies by professional photographers. The area of Vancouver in which Wall has his studio became a major location for film and television shooting from the 1980s, and he drew on the available local resources in making these 'cinematographic photographs'. The lightboxes subtly illuminate their viewers, and this, along with their size and their metal framing, elicits comparisons with Minimalism, which also sought to give the viewer a bodily experience of proximity to its carefully scaled objects. (This was the basis of Fried's famous critique of the movement, which he thought played too directly and theatrically to the viewer, mugging for the camera, as it were, and allowing no room for the absorbed, timeless condition he thought necessary for true aesthetic appreciation.)⁸

'Everyday' scenes

Most commentators assume that Wall's depictions of everyday life successfully convey some social significance. Yet the exact meaning of his combination of formal, technical and iconographic elements is highly elusive, and has arguably become more so as Wall has developed the variety of his work through a series of highly considered contrasts. In one sense, Wall's subject matter is of a piece with the standard territory of museum photography: in reaction against the kitschy and suspect power of the snapshot that seizes some dramatic (or worse, decisive) moment, everyday scenes, in which incident is downplayed or absent, are elevated through enlargement to apparently epic significance. Photographs by Andreas Gursky or Thomas Struth, to take two of the most prominent examples, visually dramatize the quotidian, finding (in a considered and conservative paradox) a charismatic visual expression for Weberian disenchantment. The size and expense of these works are far from incidental to their social use. What the museum demanded of photography has been comparable to what it demanded of video—inflation in size and insertion into installation, both pitched against the television screen and the experience of mass media generally, seeking to assure viewers that what art works offer is unlike anything merely reproduced. This is often accompanied by a pompous tendency to insist

⁸ Michael Fried, 'Art and Objecthood', *Artforum*, June 1967, pp. 12–23.

on its own profundity (a key example here being the work of and literature about Bill Viola).

To make such monumental photographs without the image becoming noticeably grainy, artists use plate cameras, large boxes which must be supported with a tripod. Large negatives require long focal-length lenses which in turn require small apertures to deliver much depth of focus. Only rarely can such cameras be used to freeze movement, and only when the photographer steps well back from a subject is the whole scene likely to be in focus. As Wall put it in one of his first texts, 'by their unwieldiness and fixity, [these cameras] impose rigid terms on what can be successfully posed in front of them.'⁹ They are well suited to giving a compelling, apparently comprehensive view of the mundane, taken from a distance that is both physical and emotional. Yet Wall's distinctive move was to overcome those restrictions: his first solution to the problem was to pose figures before plate cameras, as in an advertising or fashion studio, simulating action. A second, in more recent digital pictures, has been to take a number of photographs of the same scene at different focus points, and then combine them to produce (say, in a technically challenging forest scene) a depth of focus that would be impossible with analogue means.

These techniques allowed Wall to focus on incident, albeit of a staged kind, and that incident was admitted to the museum because, unlike the uncomfortable interplay of contingency and deliberation in photo-journalism and documentary photography, it was entirely in the control of the artist. In Wall's works of the 1980s, the posed figures interacted with one another in ways that suggested social tension and even conflict, and class, racial and gender concerns: a male foreman shouts at a female garment worker (*Outburst*, 1989); two impoverished-looking women, one carrying a child, walk across a piece of neglected land, the one apparently complaining to or berating the other (*Diatribes*, 1985); a white man pulls at his eyelid as he passes an East Asian on a Vancouver sidewalk (*Mimic*, 1982); two white cops hold and search a Latino youth who stares out of the picture with a melancholy gaze (*The Arrest*, 1989). In more recent work, of the kind most favoured by Fried, incident is played down, the figures are more often solitary, absorbed in some mundane task, and while their place in the social hierarchy is sometimes made clear (maid,

⁹ Wall, 'To the Spectator', 1979, reprinted in Vischer and Naef, *Wall*, p. 438.

cleaner, migrant worker, draughtsman), the pictures are less about social tension than about the character of their labour.

This combination of epic scale and staged incident is only the most obvious of the distinctive features of Wall's work. Another is its relation to painting in his exploration of pictorial genre, and to making manifestly artificial, often strained, reworkings of traditional pictures in photography. While the works that made Wall's reputation are apparently mundane scenes of everyday life, they are posed in such a way as to evoke early modernist painting, the usual reference points being Courbet and Manet. The awkward posing of the figures and their strange gestures, along with the odd articulation of space, could be thought to refer to the crisis in pictorial representation brought about by modernism, and to be a recreation of it for another time and in another medium. There was a point at which Wall was prepared to say that Baudelaire and Manet still had resonance for contemporary society because of the persistence of capitalism itself.¹⁰ As in Manet, the viewer is induced to expect that the picture will offer a narrative meaning, when it is in fact indecipherable, and the visible aspects of social alienation are rendered through the way figures occupy a space in relation to one another, and through their play of glances, expressions and gestures, and the details of their clothing and deportment.

Another oddity is the character of Wall's photographic manipulations. It is not that other museum photographers who made large prints from the 1980s onwards did not engage in considerable alteration of their images—in fact it was the usual practice. Richard Avedon, another of the pioneers of massive enlargement, engaged in highly elaborate tonal variation of his prints to make a heightened, stagey version of documentary style. Other art photographers who made early experiments with digital technology did so to highlight the viewer's awareness of the strangeness of these techniques, making morphed combinations of images (Nancy Burson), manifestly collaged hybrid beings (Margi Geerlinks), and using exaggerating pixellation (Michael Ensdorf). Wall, in contrast, used it to stitch photographs together to produce unified, naturalistic scenes that disavowed the technologies that had made them. While photographers had made illusionistic analogue montages from the earliest days of the medium (in the landscape work of Gustave Le Gray, for example, or the

¹⁰ 'Representations, Suspicions, and Critical Transparency', p. 208.

complex figure scenes of Oscar Gustav Rejlander), it was highly unusual for an artist to use digital techniques for that purpose in the 1980s and 1990s. It was also odd in the light of Wall's earlier commitment to an art that should reveal its own means. In 1984 he had written of the threat photography had once posed to painting:

Photography reveals its own technical presence within the concept of the picture, and so it reveals the historically new meaning of the mechanized interior of the great spiritual art of painting itself.¹²

This was seen as a salutary demystification, so it is all the more strange that when Wall adopted the new techniques in 1991, they were bent to the service of a more effective and invisible emulation of the 'spiritual' art.

Then there is Wall's insistent warfare against photography's mechanical reproduction, a common, indeed standard, artistic technique here carried to an extreme.¹³ Many of the major lightbox works are made as unique pieces, and the others are made in very small editions, rarely more than two or three. While other major museum photographers make limited editions of their largest works, Wall's are more limited still.¹⁴ This restriction of supply may be to insist on the object (as opposed to the image) status of the works. It has an effect on the way the work is viewed, particularly for those art-world types who travel extensively, since their relation to the work will be similar to that which they have to a painting: it can only be seen in one place at a time. Wall has also produced relatively little work (the *Catalogue Raisonné* lists 120 works over 26 years). Once more, this is not untypical of some museum photographers who produce a small number of meticulously worked-on images, though again Wall is an outlier. It is, however, far from being the only commercially viable model, as the highly prolix careers of figures such as Nobuyoshi Araki and Wolfgang Tillmans show. A result of the combination of Wall's prominence, low output and low edition sizes is that his work has become very expensive: the dealer price for a large piece being about \$1m.¹⁵

¹² Wall, 'Unity and Fragmentation in Manet' (1984), in *Selected Essays*, p. 78.

¹³ For a remarkable account of the consequences of this restriction of mechanical reproduction, see Eric Hobsbawm, *Behind the Times: The Decline and Fall of the Twentieth-Century Avant-Gardes*, London 1998.

¹⁴ Andreas Gursky for example makes even the largest versions of his works in editions of between four and six; Thomas Struth typically ten; Cindy Sherman in her more recent, larger-scale work between six and ten.

¹⁵ See Arthur Lubow, 'The Luminist', *New York Times Magazine*, 25 February 2007.

In the 1970s Wall identified with the left, and he continued to do so through the first decades of his commercial success. Even in the 1980s, at a time when the tacitly McCarthyite turn of that decade was purging 'political' art from the museums and galleries, he remained both marketable and apparently radical. Indeed, he can be seen as part of a distinguished generation of leftist photographer-theorists, which included Victor Burgin, Martha Rosler, Allan Sekula and Jo Spence, who also worked as educators, and whose writings transformed the theory and history of photography. While Wall's writing never had the impact of those peers, he did teach in Vancouver universities for many years, and some of his highly sophisticated essays on photography circulated among cognoscenti. Yet, while Sekula's and Rosler's radical art has gained renewed currency on the Biennial circuit, in the wake of the rise of the anti-capitalist movements and the war on terror, Wall has adopted a more conservative political position. Though it may once have been possible to read his earlier work, with its fragmentary construction of a naturalistic scene, as a model of Lukácsian aesthetics, Wall and most of his recent interpreters now seem to distance themselves from his earlier radical associations. As the artist put it in 2005:

I don't like the idea of having extra-aesthetic interest in my subjects, as if I am interested in them socially. When I began, I was under the illusion that I did have those interests. I grew up in the 60s and 70s, amid the counter-culture and the New Left, and I still believe a lot of those things, but they don't really apply to my work. I once thought they applied to my work, but learned that they don't.¹⁵

William Wood, who has published much work analysing the Vancouver art scene, argues that even in the 1980s, the relation that Wall and his associates (including Rodney Graham and Ken Lum) had to avant-garde negativity was a historical and elegiac one, lacking an attacking or activist outlook. There were, at that time, a variety of radical alternatives on offer in Vancouver—including the establishment of artist-run spaces, feminist practices, work on the history of the First Nations, activist video and experimental film. Wall and his associates preferred a mordant and melancholic pessimism, derived from Critical Theory, that dwelled on political defeat.¹⁶ Wall's brilliant and insightful analysis of Conceptual Art (written as neoliberal reaction began to take hold), which laid out the

¹⁵ Craig Burnett, *Jeff Wall*, London 2005, p. 30.

¹⁶ William Wood, 'The Insufficiency of the World', in Dieter Roelstraete and Scott Watson, eds, *Intertidal. Vancouver Art and Artists*, Antwerp 2005, pp. 71, 64–5.

necessary incompleteness of its critique of the business and the institutions of art, and saw it as a movement forged by the defeat of the left and the narrowing means remaining to radicalism, may also be read as a description of his own position.¹⁷

Entrance requirements

So, as a first sketch of the interaction of these particularities, it may be that Wall's radicalism was excused because of other conservative and spectacular elements of his practice, and that its elegiac and historical character was in any case unthreatening. Museums wishing to broaden the social composition of their audiences were attracted to easily legible, large-scale photography that dealt with familiar contemporary social issues. While many left-leaning photographer-artists made relatively cheap, easily reproducible and distributable work, and disregarded traditional artistic skills in favour of educative and dialogic virtues, Wall's work always aspired to the museum, rather than the classroom. While the lightboxes were made using advanced technology, they were also comfortably traditional in their insistent references to art history, picked up in the relation of the figures, their gestures, the lighting, and quite often specific reference to renowned painting of the past. This is Wall writing of the 'Western Picture' before modernism—of Raphael, Dürer, Bellini and other masters:

It is known as a product of a gift, high skill, deep emotion and crafty planning. It plays with the notion of the spontaneous, the unanticipated. The master picture-maker prepares everything in advance, yet trusts that all the planning in the world will lead only to something fresh, mobile, light, and fascinating.¹⁸

Put with Wall's habitual eloquence, this clearly strikes a chord as a description of his own ambition, as well as of the virtues of the old masters too hastily jettisoned in modernism and conceptualism. It was these qualities of familiarity, and above all the apparent assurance in Wall of high seriousness, intense and lengthy labour and the firm belief in quality, that helped position the artist at the head of the wave of museum photography.

¹⁷ Wall, 'Dan Graham's Kammerspiel' (1982), in Newman, *Wall*, pp. 265–98, especially pp. 271–2.

¹⁸ Jeff Wall, "'Marks of Indifference': Aspects of Photography in, or as, Conceptual Art' (1995), in *Selected Essays*, p. 144.

It was ironic, if unsurprising, that the charge to bring photography to the museum (via the contemporary art gallery and the Kunsthalle) was led by imitating painting, which had been the failed tactic of the Pictorialists at the end of the nineteenth century. As Walter Benjamin put it, the theoreticians of photography 'undertook nothing less than to legitimize the photographer before the very tribunal he was in the process of overturning'.¹⁹ The Pictorialist photographers appealed to the tribunal through the imitation of paint and print surfaces, and the meticulous manipulation of each photograph to individualize it as a unique object, and as an emanation of an artistic sensibility. Wall's lightbox surfaces are unexceptional, except for the high resolution that was to become a cliché, indeed a marker, of museum photography, but the tribunal was satisfied with the denigration of reproducibility in favour of the singular object, and the presence of so many manifestly traditional elements. It is now the standard practice for museum photographers to make frequent and insistent reference to painting and art history, as a way to place their mechanical products firmly within the ambit of high art.

This assurance was furthered by Wall's use of digital montage. It allowed detailed control over every element of the photographic scene, and broke the ironclad association of photography with the recording of contingency. As Wall put it, writing of his first digital picture, *The Stumbling Block* (1991), digitization furthered a 'visual poetry or prose poetry' which conflicts with the indexical aspect of photography.²⁰ While very close readings of paintings in terms of the artist's intentions, and the interplay of a depicted subject and the form of that depiction—the stock-in-trade of art history, the in-house literature of the museum—would be nonsensical if used to describe a snapshot, they can with some plausibility be applied to a photography over which the artist has such great control. From the point of view of the museum, this use of digital technology was an entirely welcome development. The museum's historic suspicion of the photograph had rested on its reproducibility and mechanical character: reproducibility had been dealt with by the traditional method of limiting supply; now mechanism was banished in favour of the hand- (or at least mouse- or digital pen-) worked picture, of which the viewer could never be sure that any fragment was free of the exercise of artistic sensibility. Better still, unlike the kitsch montages of the Victorian era, which too

¹⁹ Walter Benjamin, 'Small History of Photography' (1931), in *Selected Writings*. Volume 2. 1927–1934, Cambridge, MA 1999, p. 508.

²⁰ Untitled text, 1992, reprinted in *Jeff Wall: Catalogue Raisonné*, p. 333.

closely emulated painting, the results still looked entirely photographic: a new and hybrid medium had been born.

Medium and autonomy

It is over the question of medium that one of the controversies about Wall's reputation has been fought. To take the most prominent of his critics, Rosalind Krauss argues that Wall, in his use of the light-box, invented an artistic medium but never took it seriously, and that to do so would have been difficult since it is so singular and lacks an aesthetic history. In fact, it is so distinct a medium that it can only be practised by one artist.²¹ Wall's failure here consigns his reworkings of old masters to the level of pastiche.²² Two assumptions underlie this argument, and each may be held up to question: first, that an interrogation of medium is necessary to artistic seriousness. This view has led Krauss, and others of the *October* group, to adopt a hostile attitude to large swathes of contemporary art (for instance, installation) because the concept of medium-specificity, and a critical reflection on it, cannot easily be applied to such work.²³ Second, that the lightbox counts as a medium, rather than merely being one way of displaying photographic positives, which do have a history, going back to the invention of the Autochrome at the beginning of the last century. In any case, the question of the medium-specific qualities of photography is a complex one: while autonomous modernist painting tended towards abstraction, the attempts to produce an autonomous, medium-centred modernist photography (through the efforts of the f64 group, for example) led through an emphasis on sharp focus, great depth of focus and full tonal range to a fuller description of subjects in the world and an undermining of autonomy. It is unclear which photographic qualities are its essential ones. Wall himself remarks that 'photography's unique properties are contradictory',²⁴ and there are certainly features intrinsic to photography, such as selective focus, converging verticals, lens flare and movement

²¹ Rosalind Krauss, "'... And Then Turn Away?'" An Essay on James Coleman', *October*, 81 (Summer 1997), p. 8. In fact, other artists have used it, though it is true that none are as identified with it as Wall.

²² Krauss, "'... And Then Turn Away?'"', p. 29.

²³ See, for example, Rosalind Krauss, 'A Voyage on the North Sea': *Art in the Age of the Post-Medium Condition*, London 1999.

²⁴ 'Interview: Arielle Pelenc in Correspondence with Jeff Wall', in Thierry de Duve, Arielle Pelenc and Boris Groys, *Jeff Wall*, London 1996, p. 9. This is one of Phaidon's glossy productions.

blur, that are largely banished from contemporary fine art photography through adherence to its remarkably strict, if unwritten, conventions.

Yet Krauss's charge has some purchase because for much of his career, Wall made photographs that emulated paintings, and this enslavement of one medium to another may work to the detriment of both. For example, Wall claims to be the inheritor of the crisis of the tableau, as exemplified in the work of Manet, in which unity and fragmentation are held in productive tension, the former being an ideal which founders on the expression of social alienation in the latter.²⁵ However, as Stewart Martin argues, the 'claim to Manet's painting of modern life is precarious, even sophistical', since Manet's unconventional brushwork, disjointed compositions and strange perspectives find no photographic equivalents in Wall, whose works resemble instead the smooth pictorial surfaces of neo-classicism.²⁶ In the transposition from one medium to another, the critical charge of modernist painting, inhering in painterly techniques, is mislaid.

As if to respond to that charge, in his work since around 1990, Wall has been concerned with exploring the history of photography alongside that of painting (Michael Newman characterizes this as a shift in Wall's 'presiding genius' from Manet to Atget),²⁷ making works that have a documentary (or near-documentary) status, alongside large black-and-white prints some of which play with the limits of perceptibility in sepulchral tones (in a programmatic manner, these dark prints serve as a contrast to the lightbox works in which all is illumined in full detail). The use of black and white has also allowed a reflection on the conventions of the documentary tradition in photography. Nevertheless, the effects should not be overstated, and Wall's recent work, including the monochrome pictures, is still discussed very largely in terms of painting, as is typical with museum photography, in which the history of photography is regularly downplayed.²⁸

Yet it is remarkable that in the lengthy disquisitions about medium in the Wall literature, there is very little discussion of the effects of digitization.

²⁵ Wall, 'Unity and Fragmentation in Manet' (1984), in *Selected Essays*, pp. 77–83.

²⁶ Martin, 'Wall's Tableau Mort', *OAJ*, pp. 126–7.

²⁷ Newman, *Jeff Wall*, p. 224.

²⁸ See, for example, Craig Burnett, 'Jeff Wall: Black and White Photographs 1996–2007', in *White Cube, Jeff Wall: Black and White Photographs 1996–2007*, London 2007, n.p., in which the works are related to Poussin and Cézanne.

Newman's extended, detailed and sophisticated discussion of medium in Wall barely mentions it.²⁹ Hans Belting also bats away the issue, stating that Wall:

does not employ a new photographic technique, but instead 'edits' the motif that seems to depict our everyday world in front of the camera, just as we would edit images in Photoshop. That is why his principle did not change when he began to use digital technology.³⁰

The 'seems' here could bear more weight than it is given. Both writers follow Wall's lead in making light of digitization:

I think the process of deconstructing photography as a rhetoric has reached a point of exhaustion. This line of inquiry did not succeed in providing an alternative to our acceptance of a physical basis for the photographic image. We haven't progressed beyond where we were when the medium was new, and we won't.³¹

On this view, photographs are made by recording light reflecting from surfaces, and that is all there is to it. Yet the labour that goes into the construction of Wall's major pieces should give us pause. Fried gives a detailed account of the two-year process of making *A View from an Apartment* (2004–05), a visually lush but apparently mundane scene of two young women in a flat, one reading a magazine, the other walking by an ironing board.³² This involved renting the place, hiring a model to live there and furnish it, long shooting sessions and the digital combination of various elements, particularly the views through the windows to the city of Vancouver at dusk. With *The Flooded Grave* (1998–2000, the dates themselves are telling) a very complex and lengthy process produced an image both naturalistic and hallucinatory, in which the bottom of a grave is seen as an undersea environment. Wall first combined the background and foreground of the image from two graveyards, then built a tank made from moulds of the dug-out grave to fill with sea creatures, and then went through the very difficult task of digitally combining the various elements so that the joins would not show.³³ Wall suggests that

²⁹ Newman, *Jeff Wall*, pp. 161–224.

³⁰ Belting, *Looking Through Duchamp's Door*, p. 176.

³¹ 'The Hole Truth: Jan Tumlir talks with Jeff Wall about *The Flooded Grave*', in Rolf Lauter, ed., *Jeff Wall: Figures and Places: Selected Works from 1978–2000*, Munich 2001, p. 154.

³² Fried, *Why Photography Matters*, pp. 56–7.

³³ For a full account of this process, see 'The Hole Truth', pp. 150–7.

even so complex a picture remains indexical, since each element is an act of photography, of light reflected onto film.³⁴

Surely, here he underestimates his own inventiveness, and the extent to which the ontological character of the medium has changed. In photo-journalism, which Wall has often emulated, there is a large measure of chance, and photographers have little control over the image; they can make choices about where to place the camera, when to press the shutter, how to use selective focus, and the focal length of the lens, but most other factors remain beyond their powers of manipulation. This has been the basis for some critics denying that photography can have full status as an aesthetic medium, since it is very hard for the viewer to know what was intended and what was incidental.³⁵ Wall's manipulations are so far-reaching that the viewer is placed in the position of assuming that every element of the scene has been worked on by the artist, either through the selection and manipulation of the object to be photographed, or through digital means. Contingency is not entirely abolished but intention saturates every point of the image, just as it does in the photography of advertising, commerce and the public-relations industries. While some Photoshop tools merely simulate traditional darkroom techniques, others make a wide variety of highly configurable and finely graded alterations to the images, which include features such as sharpening and precise colour control that were unknown in analogue technology.

The digital photograph must count, surely, as a new medium—and, if the manipulations are made openly, it may be used to reflect on the relation of straight photography to contingency. Here, though, through their concealment, we are faced with a state of half-photography, in which each surface has been digitally brushed over and bent to the will of the artist. And here, Krauss's charge has real force, not only for Wall's practice but also for the writings of his supporters, since in both the new medium is denied and concealed.³⁶

³⁴ 'The Hole Truth', p. 154.

³⁵ One notorious statement of this position is Roger Scruton's essay, 'Photography and Representation', in *The Aesthetic Understanding*, London 1983.

³⁶ In a recent lecture, Wall took the logical next step of denying the importance of the photographic medium, seeing it as merely one of a range of depictive techniques, alongside sculpture, painting and print-making, which stand opposed to conceptual art and its progeny. Jeff Wall, *Depiction, Object, Event: Hermes Lecture* 2006, 's-Hertogenbosch 2006.

Museum prose

In the new wave of Wall literature, and particularly in the grandeur and deportment of the *Catalogue Raisonné*, a massive volume that meticulously documents each work that has been admitted into the oeuvre, various suspicions are raised: it is implied in the monumental length and heavily garlanded prose of the publications that Wall is a great artist, and even on some accounts the saviour of the Western pictorial tradition. Authors strain to deliver an analogue in prose of the aesthetic experience delivered by the photographs, with results both vague and glutinous: pieces are variously described as 'mysterious and lyrical', or offering 'a kind of pictorial amplitude' and producing 'a kind of ravishing luminosity'; or as manifesting Bergsonian duration in which 'cyclical, linear, polar or abstract notions of time converge in synchrony'.³⁷ In Fried's book, *Why Photography Matters as Art as Never Before*, analysis regularly makes way for the mysticism of a timeless engagement with the autonomous picture. Of Wall's photograph of a cleaner washing windows at the reconstruction of Mies van der Rohe's famous Barcelona Pavilion (*Morning Cleaning, Mies van der Rohe Foundation, Barcelona, 1999*), and the way in which Wall had staged and constructed the scene, Fried writes that it is:

a composition of great pictorial and intellectual sophistication, one that exploits the 'magic' of absorption to induce the viewer to accept as verisimilar something that he or she 'knows' to be improbable at best.³⁸

In an earlier published version of this essay, Fried omitted the quotation marks around the word 'magic' but it is unclear what is salvaged by their addition.³⁹ The book concludes with a long analysis of Wall's reconstruction of a scene from Mishima's tetralogy, *The Sea of Fertility*, and with a conspicuous piece of Mishima-inspired God-bothering, again centred on timelessness.⁴⁰

A striking feature of this literature is the extraordinary domination exerted by the artist's own writings and interviews. Wall is certainly an

³⁷ Fried, *Why Photography Matters*, p. 62; Briony Fer, 'Night', in OAJ, pp. 80, 77; Lauter, *Jeff Wall*, pp. 23–4.

³⁸ Fried, *Why Photography Matters*, p. 75.

³⁹ Fried, 'Jeff Wall, Wittgenstein and the Everyday', *Critical Inquiry*, no. 33, Spring 2007, p. 517.

⁴⁰ Fried, *Why Photography Matters*, p. 352.

intelligent commentator on his own work and that of others, but the status of the writings between artist's statement and academic analysis, and the shifts between the two, can be difficult to tie down. Some very sharp analysis of art-historical developments sits alongside passages of a poetic and even mystical character:

I also like dirty sinks, the soggy abandoned clothes I see in the alley behind my studio all the time, crusted pools of dried liquid and all the other picturesque things so akin to the spirit of photography.⁴²

In his earlier writings, Wall cultivates an ingenious, playful bringing together of opposites, in a dialectical or paradoxical conjunction which yields sharply and beautifully expressed phrases, part analysis, part artistic performance. For example, the glass office towers of Mies van der Rohe and Philip Johnson express 'with cold irony and detachment what the city has in fact become: a bad view'. Or: 'the architectural project of the glass house reveals in pure form its historical fate: to live by virtue of its own death.'⁴³

Wall's writing is also haunted by a variety of ghosts, once Critical Theory spectres that summoned and lamented lost political ideals, now art-historical shades that flit in and out of consciousness seeking beauty:

There is always something spectral—ghostly—in the generic, since any new version or variant has in it all the past variants, somehow. This quality is a sort of resonance, or shimmering feeling, which to me is an essential aspect of beauty and aesthetic pleasure.⁴³

The *Catalogue Raisonné* reprints many of Wall's texts, both lengthy essays and many shorter texts on individual works which complement the catalogue entries. In a number of elaborate framings of the history of avant-gardism, modernism, conceptualism and the history of photography, Wall provides a thorough contextualization of his oeuvre that is naturally referred to insistently by critics and historians, and rarely escaped.⁴⁴ He has also given many interviews about his own works. The

⁴² Wall, 'A Note about Cleaning', (2000), in *Jeff Wall: Catalogue Raisonné*, p. 393.

⁴³ Wall, 'Dan Graham's Kammerspiel', pp. 55, 65.

⁴⁴ Interview: Arielle Pelenc in *Correspondence with Jeff Wall*, p. 14.

⁴⁵ These essays include 'Dan Graham's Kammerspiel', 'Unity and Fragmentation in Manet', 'Roy Arden: An Artist and His Models' and '"Marks of Indifference": Aspects of Photography in, or as, Conceptual Art', all of which may be found in *Selected Writings*.

dominance of that literature is seen in the extent to which it is reprinted in monographs, and the regularity with which it is cited by other writers. The manner of those citations is also remarkable for, despite the very marked shifts in Wall's positions over the years, his statements are rarely held up to critical examination but are rather taken as incontrovertible evidence for the interpretation of his pictures. Fried, to take one example, cites Wall frequently and reverently, and since Wall has long had an interest in Fried's writing, even gets to cite Wall citing Fried.⁴⁵

Adrian Rifkin, in a critical essay on Wall, writes of the effect, referring to the Phaidon monograph on the artist, edited by Thierry de Duve and others, which also reproduces much of Wall's writing:

Wall's own speaking appropriates and fully processes everything that touches it with the effect that the relation of the practices of making and theorizing, in the work and around it, make for a monumental closure of which openness, question or uncontrolled readings are nothing more than one of the characteristics of its monumentality. In none too subtle a loop the critical itself emerges as the highest and shared form of value, the commodity offered by the book, and figured in a mutual hollowing out of art and critical discourse.⁴⁶

In the *Catalogue Raisonné*, texts by Wall are described as 'primary', while those by other authors are secondary. While the question of what counts as a primary text in the study of contemporary art is a delicate one, the designation here has a sense: it allows us clearly to see Wall's oeuvre as being a unit of text and picture, each dependent on the other.

The artist writes

We can briefly map the interrelation of work and prose through various moments in Wall's career to point up the changes. The earliest writings, two lengthy essays on the work of Dan Graham written in 1981 and 1982, were heavily influenced by Adorno, especially as applied to the visual arts through the writings of Benjamin Buchloh.⁴⁷ Here, a profound sense of cultural pessimism, defeatism, irony and detachment is lightly leavened by holding out the possibility that artistic models which

⁴⁵ Fried, *Why Photography Matters*, p. 38.

⁴⁶ Adrian Rifkin, 'What is a Minor Artist? A First and Last Note on Jeff Wall at Tate Modern', available at www.gai-savoir.net.

⁴⁷ Wall, 'A Draft for "Dan Graham's Kammerspiel"' (1981); 'Dan Graham's Kammerspiel', both in *Selected Writings*, pp. 11–75.

juxtapose elements normally forbidden may still hold a critical charge. Similarly in Wall's 1984 essay on Manet, the idea that absolute fragmentation had become the standard aesthetic in contemporary photography offered up the possibility of a productive, anti-orthodox bringing of fragmentation and unity into contention.⁴⁸ These writings correspond with the evolution of Wall's distinctive style and subject matter, in a series of works made between 1982 and 1985, mostly street scenes such as *No* (1983), in which a wealthy looking man walks past a prostitute at night, or *Milk* (1984), in which a young man—possibly indigent—squats on a pavement before a new brick building while milk from a carton he holds spurts into the air.

While Baudelaire's hymn of praise to Constantin Guys for his meticulous, immersive, selfless and innocent depictions of modern life emphasized the 'splendour and majesty' of 'the river of life', Wall's version is a good deal gloomier.⁴⁹ Working-class decline and defeat may be read into these images, which were made as neoliberal economics began its terrible unfolding. *Mimic*, for example, as Walter Benn Michaels points out, is not merely a reconstruction of a casual racist gesture, but should be set within the context of the wave of immigration to Canada from the 1960s onwards of well-educated Asians, who drove the existing working class to further economic disadvantage.⁵⁰ *Abundance* (1985) sees two elderly women gathering cast-off clothes from a box marked 'Free', one of whom regards the camera in a self-aware fashion, displaying the many layers of clothes she has donned as an absurd sign of her need. To render such subjects in this cool, epic form speaks of an ironic detachment. *The Thinker* (1986), Wall's first work to contain elements of fantasy, is an explicit reworking of Dürer's proposed monument to the defeat of the Peasants' Revolt.⁵¹ The figure, a man in a suit and work boots, sits on a stump and pieces of concrete, overlooking a rail yard, the wheat silo of a long-established co-operative, and in the distance the towers of Vancouver. The man is of an age that, had he lost his job, he would be unlikely to find work except of the most unskilled, casualized and low-paid kind. As in Dürer's print, a sword protrudes from his back. Close above his head, the picture is divided by the heavy black of telephone

⁴⁸ Wall, 'Unity and Fragmentation in Manet'.

⁴⁹ Baudelaire, *The Painter of Modern Life*, London 1984, p. 11.

⁵⁰ Walter Benn Michaels, 'The Politics of a Good Picture: Race, Class, and Form in Jeff Wall's *Mimic*', *PMLA*, vol. 125, no. 1, 2010, pp. 178–9.

⁵¹ Jeff Wall: *Catalogue Raisonné*, p. 302.



Milk, 1984 Transparency in lightbox, 187 x 229 cm

lines, the data-carriers which spelt the end of effective, nationally based working-class power. Wall was certainly concerned to describe this situation, but nothing in these pictures points to resistance. The spilling of milk may indicate the pointlessness of shedding tears.

In two essays of 1988, on Rodney Graham and Stephan Balkenhol, Wall steps back from Adornian pessimism, saying first that some aspects of postwar fragmentation in art, such as Arte Povera, offered 'vistas of possibility and hope', and further that there were opportunities in the renunciation of an experimental form that had 'congealed into orthodoxy', and the utopian embrace of representation, particularly of the human figure.² Ernst Bloch is the model here, and while Wall still writes about capitalism, there is less focus on class—indeed, with relation to ecological depredation, he uses the terms 'us' and 'we'. This shift is

² 'Into the Forest: Two Sketches for Studies of Rodney Graham's Work' (1988); 'An Outline of a Context for Stephan Balkenhol's Work' (1988), in Wall, *Selected Essays*, pp. 87–101, 103–7. Quotations from pp. 103, 105.

accompanied in 1988–89 by works in which there are more overt depictions of oppression and conflict—sexual, racial and class-based. There are images of eviction, a couple's estrangement, the berating of a worker by a foreman in a garment factory, teasing and perhaps bullying children, and arrest. Yet while this period marks the high point of Wall's depiction of social conflict, the oppressed (when they can be identified) remain passive and powerless, and the utopian a merely formal possibility.

In his brief 1989 essay, 'Photography and Liquid Intelligence', first published in a major group exhibition in which Wall's work was shown alongside that of Robert Adams, Bernd and Hilla Becher, Thomas Struth and others, the artist laid out a contrast between the wet and dry aspects of photography. The dry was associated with optics, geometry, ballistics, certainty and precision; the wet with archaic, pre-industrial work, the chaotic and the unpredictable; the combination of the two in photography achieving 'a historical self-reflection, a memory of the path it has traversed to its present'.³³ Tarkovsky's film *Solaris* is also invoked to suggest that liquid chaos (or intelligence) has its own purposes and agency, which may be far from ours. The enthusiasm for chaos theory and science fiction fits, perhaps, with the trend at the time for some on the left to comfort themselves with remote utopian possibilities and the thought that those in power could not foretell or control the consequences of their actions. Once again, it suggests a distant, even Olympian, view.

In 1992 and 1993, Wall made massive, heavily manipulated and montaged pieces. Some were overtly fantastic, such as *Dead Troops Talk (A Vision after an Ambush of a Red Army Patrol near Moqor, Afghanistan, Winter 1986)* (1992), an elaborate scene of a 'conversation' among recently slaughtered Soviet troops. Others were plausible, though plainly only realizable through montage, such as *A Sudden Gust of Wind*; and others use extensive manipulation to render quiet and naturalistic scenes, as in *Restoration* (1993). In 1993 Wall also wrote an essay about the work of Vancouver artist-photographer Roy Arden. Here, the main claim is that photojournalism contains a dialectical structure comprising the prosaic and the poetic, which is also a tension between the instant and the implied narrative of the event depicted.³⁴ Art photographers, however, do not merely practice photojournalism or any other standard photographic

³³ Wall, 'Photography and Liquid Intelligence', *Selected Essays*, pp. 109–10.

³⁴ Wall, 'Roy Arden: An Artist and His Models' (1993), in *Selected Essays*, pp. 115–17.

genre, but rather emulate it and reflect on it.⁵⁵ Arden's strictly composed works of the 1980s:

hover just at the point of resembling autonomous works of pictorial art. They reflect both the moment at which photojournalism becomes art, and the last one in which it remains lyric, miniature and utilitarian—that is, in which it remains reportage.⁵⁶

Again, this plainly reflects back on to Wall's own aims: *Dead Troops Talk* is a highly self-conscious infusion of a photojournalistic subject with fantasy and, of course, academic figure composition. In *A Sudden Gust of Wind*, a mundane if photojournalistic subject—a meeting between businessmen and labourers on a farm—is apparently transformed momentarily into a scene that evokes the past and art history by the weather (a chaotic system) scattering the instrumental—business documents—high into the sky.

In *Restoration*, women engage in the slow and painstaking work of restoring Edouard Castres's *Bourbaki Panorama* in Lucerne, showing the crossing into Switzerland of a portion of the fleeing French army in 1871. Wall's massive panoramic photograph is a celebration of their labour, and is the first of many elaborate works in which the artist takes as his subject such often overlooked tasks. Indeed, Wall sees the women acting as a conceptual model of how society should be:

I think one of the historical roles of pictorial art was to make images which in a way are models of behaviour, too. First, they are conceptual models of what a picture should be, because every picture can be thought of as a proposal of a model of what a valid picture is. But, also, the behaviour of the figures in the picture may be models, or at least proposals of models, of social behaviour, of whatever kind.⁵⁷

There is plainly a parallel between Wall's own meticulous labour in staging, photographing and digitally montaging, and that of the restorers. Further, Wall is happy to say here that *Restoration* has a post-revolutionary

⁵⁵ This claim also is made in a later Wall essay, in which he argues that Henri Cartier-Bresson, Walker Evans and Brassai were making art by imitating photojournalism; this is a key claim for Wall, who cannot accept that reportage can be art, but would have come as news to all of them. See "Marks of Indifference", *Selected Essays*, p. 145.

⁵⁶ Wall, "Marks of Indifference", *Selected Essays*, p. 120.

⁵⁷ 'Jeff Wall in Conversation with Martin Schwander' (1993), in *Selected Essays*, p. 234.

and even counterrevolutionary implication, in which the old regime is preserved and even brought back to life. This revival is certainly one of an old pictorial tradition, but, as we shall see later, it is increasingly accompanied by other conservative attachments.

Wall's production of sustained writing about art, both his own and other people's, has slackened, and the rate at which he produces pictures has increased, as he branched out into making black-and-white prints and smaller lightboxes. While he still gives many interviews, there are many subjects on which he prefers to hold his silence. It is telling that the last interview in the volume of his selected writings ends with Wall saying: 'I am not so concerned to comment on interpretations of my work, or anyone's, these days.'⁵⁸ He hardly needs to, since he has found such effective mouthpieces in those art historians who have written at length about his work, and whose writing remains dominated by Wall's own views.

Hunting sources

For those who take the side of Wall, he is one of the most important artists of his generation, or even of his epoch. Michael Newman, among the most effusive of the artist's supporters, writes:

We can think of the Duchamp of both *The Large Glass* and *Étant donné*s as not so much breaking with the pictorial tradition as, in a rather perverse and fetishistic way, preserving it so that the Western tableau could be reanimated for its uncanny afterlife in Wall's backlit Cibachrome transparencies, and carried over into the large-scale directorial photographs of a generation of artists inspired by Wall's example.⁵⁹

This view of Duchamp, which echoes Wall's own, is a very eccentric one, for it sees him as a saviour rather than a destroyer of artistic tradition.⁶⁰ While such a view would have seemed incredible at the time when Duchamp gained renewed importance for the contemporary art world in the late 1950s, as traditional art forms came under sustained assault, it does acquire a 'perverse' plausibility when conceptualism and

⁵⁸ 'Post-60s' Photography and its Modernist Context: A Conversation between Jeff Wall and John Roberts' (2006), in Wall, *Selected Essays*, p. 345.

⁵⁹ Michael Newman, 'Towards the Reinvigoration of the "Western Tableau": Some Notes on Jeff Wall and Duchamp', *OAJ*, p. 100.

⁶⁰ For Wall's later view of Duchamp as a part of 'great pictorial culture', see 'Interview between Jeff Wall and Jean-François Chevrier', in *Selected Essays*, p. 320.

spectacle have become fused in the grand conversation piece that is now taken as art; after all, some of its elements may happen to be pictorial or traditional. While there is no unanimity among Wall's admirers about the legacy of Duchamp (and indeed for Fried he is the figure who led art to dwell between rather than within media, and as a consequence, abolished quality and value), there is agreement about Wall's status.⁶¹ Fried explicitly argues that it is museum photography that has renewed the Western pictorial tradition that was once borne in painting, and that Wall was among the most important figures to have grasped that this was photography's proper task.⁶² To place Wall in that position is more than to imply that, like Duchamp, he is not merely a great artist but one who has brought about major and lasting artistic change.

A marked feature of this literature is the pains it takes in the identification of sources and influences behind Wall's pictures (in an attempt, perhaps, to identify the components of that 'shimmering feeling'). Wall has certainly referred to paintings in his works with explicit reworkings of Delacroix, Hokusai and Manet. In some art-historical writing, the analysis of sources and close visual reading are given a particular point through their bearing on ideological, political or other issues. Steve Edwards, for example, in his account of *A Donkey in Blackpool* (1999), which Wall had made to be paired with one of Stubbs's most celebrated horse paintings, *Whistlejacket*, makes clear the class associations of each, their situation in very different worlds of leisure, the Christian allusions in the subject of the donkey, and uses this analysis to suggest that the picture may be read (once again) as a monument to the defeated working class.⁶³

More often, however, the identification of sources seems to be an exercise in assuring that the works receive the right kind of attention as art, imbuing them with historical depth, while demonstrating the author's perspicacity, knowledge and sensibility. So Newman, in discussing *The Destroyed Room*, which is (as Wall tells us) a reflection on Delacroix's *Death of Sardanapalus*, also finds references to Duchamp (through illumination and the staged mise-en-scène), Pompeian villas (in the wall colour), Matisse, Courbet, Fontana and Barnett Newman.⁶⁴ Thierry de

⁶¹ Michael Fried, *Art and Objecthood*, Chicago 1998, pp. 44–5.

⁶² Fried, *Why Photography Matters*, p. 37.

⁶³ Edwards, "Poor Ass!", *OAJ*, pp. 39–54.

⁶⁴ Newman, *Jeff Wall*, pp. 17, 21.

Duve, among others, picks out a figure in *The Storyteller* (1986) which seems to resemble one in Manet's *Déjeuner sur l'herbe* and makes great if vague play with its significance.⁶⁵ It may be noted that Wall himself has made a few statements expressing scepticism at such source-chasing. He writes that the model in *The Storyteller* who appeared to echo the figures in Manet's work did so by accident, though 'everyone picked up on that'.⁶⁶ Moreover, on his work *Odradek* (1994), which is based on a story by Kafka, when asked if the girl coming down the stairs alludes to Duchamp or Richter, Wall says that he does not 'make those kind of jokes' and she is just a girl descending a staircase: 'If people want to think in those terms, then that's their affair. Depiction just causes things to resemble each other.'⁶⁷

This is not to say that an artist's statements should be held up against those of a critic or historian, and that the latter be found wanting. It is rather that the game of finding images that resemble other images is likely to be both endless and useless (except as artistic validation) without the discipline of a point that sits outside an art history which, at its worst, emulates the supposed autonomy of the pictures. Artists, least of all Wall, are hardly innocents in this, since, as we have seen, making art-historical references is one of the most reliable tactics to get a work discussed as if it is art. Within the context of the art world and the competitive positions taken by artists, critics and historians, it is hard not to see such references to sources as a form of social display, and as being indelibly marked with the inequalities of class, education and the opportunity for cultured leisure.

The taint of mass culture

The interest in art-historical comparison has come to be matched by a neglect and even denigration of mass culture, which plays down the importance of what non-specialist viewers may experience when looking at works by Wall, which are, after all, about 'everyday life'. In part, this hostility is to do with the widespread idea that art can offer an antidote to a technological mass culture that provides quick, disposable fixes of clichéd stories, off-the-peg emotions and standard forms. So video art, in its flight from the fast cutting and mobile camera work of film

⁶⁵ Thierry de Duve, 'The Mainstream and the Crooked Path', in de Duve et al, *Jeff Wall*, pp. 46–7.

⁶⁶ Burnett, *Jeff Wall*, p. 39.

⁶⁷ Burnett, *Jeff Wall*, p. 77.

and television, is supposed to encourage a slower, more considered and critical way of viewing moving images. Similar claims are made for large-scale museum photography as against the photography that is rapidly consumed in newspapers, magazines and advertisements. For some critics, one of Wall's achievements is to hold the viewer before a medium that is normally so quickly glanced over and gutted for a recognizable narrative or emotive charge.⁶⁸ Others posit an utter separation of mass culture and the work of art, and place Wall entirely on the side of the latter.⁶⁹

The shard of truth that these views contain lies in the structural necessity of art photography to oppose the mass industry of image production, just as high art in general must distinguish itself from mass culture. Nevertheless, Wall's own views on this issue have changed dramatically, and he used to be happier to point to sources for his work in film, television and even advertising and commercial display.⁷⁰ The first lightbox, *The Destroyed Room*, took Delacroix as a source, as we have seen, but also indicated its commercial origins by reflecting on the artificiality of the room ensembles made for shop-windows. This piece of 'built disorder' was shown in a gallery window, facing the street, just like a shop display.⁷¹ These days, however, the artist does not want viewers to think about anything other than high art. In a reply to a question about whether *Dead Troops Talk* may be related to television or newspaper imagery, Wall said:

Just because I made a war picture doesn't mean that people automatically or necessarily have to associate it with media imagery. That presumes that media imagery is a total horizon of everyone's experience. Those presumptions have now reached the stage of orthodoxy. That is an unfree way of conceiving how individuals experience works of art, unfree and unrealistic. Conformist, institutionalized, academic, textbook and suffocating.

Wall goes on to say that art is an independent experience of the world, and that cultural studies and immersion in mass media threaten the Western canon.⁷² It may be that the sources and references that are useful to a young and unknown artist are quite different than for those

⁶⁸ See Burnett, *Jeff Wall*, p. 74.

⁶⁹ See Hans Dickel, 'Image Technology and the Pictorial Image: Media Images versus Art Images', in Lauter, ed., *Jeff Wall*.

⁷⁰ See Wall, 'To the Spectator', in *Jeff Wall: Catalogue Raisonné*, p. 438.

⁷¹ The phrase is Belting's, *Looking Through Duchamp's Door*, p. 150.

⁷² Gordon McDonald, 'Interview: Jeff Wall', *Photoworks*, Autumn–Winter 2005–06, pp. 20, 23.

who stand at the apex of the museum world, but it may also be that, in the exclusive focus on fine art, some of photography's most interesting associations and affiliations—particularly those to photojournalism, commerce and film which Wall himself explored with acuity in his early writings—become lost.

The prose written by Wall's champions is destined for the museum, just as the photographs are. It appears directly in museum catalogues, or books from museum publishing houses, while the rest of the literature bolsters curators' various texts with ideas and authoritative quotes, and influences the way works are hung and juxtaposed. In this way, theme, object, display, interpretation in exhibition boards and leaflets, catalogue and monograph texts, and the encouragement of appropriate reactions in an audience are integral parts of the 'work', which is no mere collection of objects but rather the construction of a social network that includes collectors, curators, critics, art historians and (lastly) viewers.

The paradigm of such writing is the volume by Fried, *Why Photography Matters as Art as Never Before*, which in its resolute focus on the pictorial tradition and on what the author takes to be its fundamental characteristics, its grandiose self-importance and even its design, is geared towards an aesthetic validation of its subject. While there is a degree of ontological musing about photography, and the claim is even made that photography is 'compelled' to do ontological work, the character and extent of its contribution remain unspecified.⁷³ The fundamental purpose of this prose is to assure the status of its object of study for the museum and the canon. While Fried's views do not remain entirely unchanged from those of his youth, and he is obliged to acknowledge the 'theatrical' aspects of Wall's work, these are bent only to a further heightening of absorption, of a parallel between subject and viewer, both sunk in the timeless form of close attention, shut off from the clamour of the world, and participating in an engagement with labour and aesthetic appreciation that remains comfortably unchanged across the centuries.

The reader of this now complicated and very extensive literature will come across a broiling stew of theoretical, political, art-historical and cultural references of which Wall is the master. It may be that he learned from his postgraduate study of Duchamp the value of creating art works and discourse which together function as interpretative traps; which,

⁷³ Fried, *Why Photography Matters*, p. 3.

through the elaboration of considered contrasts—monochrome versus colour, light versus dark, fantasy versus the everyday, landscape versus still life, single versus multiple figure compositions, large versus small, posing versus documentary, to take but a few—are capable of generating endless circles of reference and self-reference.⁷⁴ Wall's own writing, in places a model of close reading, gives a clue as to the results. In exploring the elements that make up a work by Dan Graham, the *Alteration* project, Wall enters into long and brilliant analyses of the use of glass in architecture, the modernist glass house, the office block, the tract house, suburbia and urbanism generally—just under thirty pages devoted to a scrupulous unpacking of cultural meaning.⁷⁵ This, to get at only three elements brought into novel juxtaposition in Graham's project: glass, mirror and tract house. Since what is examined here is not merely each element taken singly but their relations with each other, the complexities of such analysis must increase exponentially as further elements are added. It is easy to see that Wall's work admits of no terminable analysis in this form.

Art history and art criticism are the willing victims of the interpretative trap, not least because of the institutional requirement for the continual generation of texts to act as buttresses for work in the contemporary art industry and for state-enforced bean-counting assessments of research 'outputs'. Multiple readings, indeterminacy, and a revulsion at 'essentialism' are the touchstones of this discourse, which exudes the heady perfume of postmodern mysticism. They are also supposed to have a close affinity to what art offers as a consoling supplement to mass culture and working life. Wall's work now comfortably inhabits the centre of this orthodoxy. It is no surprise to read in the introduction to the *Catalogue Raisonné*, in a text surely endorsed by the artist, that all his pictures 'have no moral pretensions and do not communicate a fixed meaning, but rather emphasize the instability and contingency of their meaning'.⁷⁶

Is it possible, then, to cut through this Gordian knot of sources, theories and references? In much of the recent Wall literature, taken as

⁷⁴ See Duchamp's writings on his 'Large Glass'. *The Bride Stripped Bare by Her Bachelors, Even: A Typographic Version by Richard Hamilton of Marcel Duchamp's Green Box*, London 1960.

⁷⁵ Wall, 'Dan Graham's Kammerspiel', pp. 31–75.

⁷⁶ Theodora Visher, 'Introduction', in *Jeff Wall: Catalogue Raisonné*, p. 10.

a whole, there can be found the symptomatic characteristics of much contemporary art writing: 'poetry', publicity and indeterminacy; the antidotes may be materialism, neutrality and politics.

'Objecthood'

To begin with the material, among the first and most obvious points to make about the lightboxes is that they are large, expensively manufactured objects, necessary to the development of Wall's evolution of a signature style as an exceptional, individualistic artist, and that they are used to control and restrict the display of Wall's images. In the early years, Wall was clear that the very expense of making these transparencies (along with that of the cinematically staged shoot itself) was an advantage: they represented his commitment to art, attracted serious attention, and the money to ensure his future artistic career.⁷⁷ The rarity of such objects increases the distances and frequency with which they need to be shipped. The art world has barely begun to confront its extraordinary environmental profligacy, which has been exacerbated as it has become increasingly globalized and event-based, as the flocks of private jets track the global tour of biennials and art fairs, while rare and heavy art objects are transported by air, accompanied by couriers. It is a particularly perverse situation when there is a good argument for saying that the 'work' is not any particular lightbox (which could be replaced if damaged or destroyed; some indeed have been after undergoing irreparable degradation due to the materials used in their construction), but rather the digital file from which the picture is made—and this could be sent anywhere that has an Internet connection, with very little expense or environmental impact. Instead, the control of the image, to preserve its market value and to keep its display in the hands of the experts, trumps all other considerations.

As for neutrality, the point is not necessarily to be for or against such pictures, certainly not in terms of their place in an aesthetic canon. Rather, we may, neutrally, examine their effects. Wall's lightbox works are big, detailed, brightly coloured things, entertaining to look at, as convincing a simulacrum as any fashion or advertising shot; they may get us to think about other art; they may get us to think about politics or society. Their utility for the museum—as providing a form of spectacle that has

⁷⁷ Wall, 'To the Spectator', in *Jeff Wall: Catalogue Raisonné*, pp. 437–8.

to be seen as a physical object in a physical space to get the full effect, and as a generator of art-historical discourse—is obvious. Wall's legacy is clear in the proliferation of large, complex figure pieces staged for museum walls, *tableaux vivants* for the contemporary age. Some of his most successful followers point up the dubious elements of Wall's work, hidden by his relative tact. The very expensively staged, manipulated and mannered scenes of Gregory Crewdson hint at dark goings-on in the suburbs. Their cheesy and schlocky air is reminiscent of David Lynch but also develops the contrast between the mundane and the fantastic found in Wall. David LaChapelle, a highly successful magazine portraitist who has moved into art photography, uses digital procedures to make complex and highly polished allegorical figure scenes in which easily recognizable art-historical references are blended with celebrity images and pop culture in gaudy abandon. Wall's warnings about the pollution of the pictorial tradition with mass culture have their nightmare incarnation here, while the inhuman sheen of LaChapelle's flesh and the too-perfect cleanliness of his objects make apparent what is hidden in Wall: the hybrid medium that is the digitally painted photograph.

Turning to politics: just over ten years ago, John Roberts thought it plausible to argue that realism for Wall was less a matter of narrow aesthetics than the recognition of a historical connection between representation and the possibility of a public culture for art, so that to defend a painting of modern life was to hold onto the ideal of a non-bourgeois audience for art.⁷⁸ More recently, Michael Newman has argued that there has been a shift in Wall from work in which beauty was seen as a promise, and the basis for a critique of the present, including unjust social relations, to his current rejection of the utopian. He goes on to cite Wall:

The Utopian aggression against the actual, against the slow and the imperfect—I see that as a rhetoric, as one of the last formations of the avant-garde. Democracy involves imperfection. The fundamental aesthetic trait of democratic culture is the taste for imperfection. It has to do with accepting its presence and of knowing that everything you do won't be realized exactly as you want it to be, and that other people will also have something to say about it.⁷⁹

⁷⁸ John Roberts, *The Art of Interruption: Realism, Photography and the Everyday*, Manchester 1998, p. 187.

⁷⁹ Philip Ursprung, Jacques Herzog, Jeff Wall and Cristina Bechtler, *Pictures of Architecture/ Architecture of Pictures: A Conversation Between Jacques Herzog and Jeff Wall*, New York 2004, p. 67; cited in Newman, *Jeff Wall*, p. 13.

This is but one of Wall's recent statements about the role art may play in an 'imperfect democracy':

One of the great processes carried on in modern democratic society is that in which people learn to come to terms with imperfection in themselves and others. So I think the commonplace has an enormous charge on an artistic level because it ruins the old hierarchies of art and lets new feelings emerge. I think by working with that, it is possible to create a new feeling of the beautiful—one that is refreshed.⁸⁰

Ugliness is associated with evil in the Western tradition, as Wall himself points out, and so by implication beauty with virtue, here with mundane daily activities, often those that imply care for a person or an object—in particular, cleaning. It is a concentration on the overlooked tasks of improvement and maintenance in a conservative art that tries to bring to expression the striving for modest improvement, and to give it beautiful form and coherence. This can be seen most clearly in the ambitious and complex montage *Morning Cleaning*. Fried and others have subjected this picture to some very abstruse readings,⁸¹ but it may be seen as a depiction on a grand and extraordinarily labour-intensive scale of a disregarded act which is nonetheless central to the ideal effect of Mies's luxurious modernism, which a little dirt would certainly ruin. The cleaner, as Wall produces him in the picture, is absorbed in his task as we viewers should be in Wall's spectacular image. He is entirely, if not happily, lost in the elimination of suds from glass, and may be compared to those depictions of farm workers in eighteenth-century England, defined by their fixed place in the natural hierarchical order.⁸² The frame of a modern monument takes the place of landscape here, but the message is similar—of virtuous labour, ordinary but necessary, that plays its part in the maintenance of the 'imperfect order of democracy'. Art lovers, who like to think of themselves as complex creatures, may view it as a pastoral scene, in their sophisticated and elite appreciation of simple virtues.

The point of reference for Wall in these remarks on democracy is no longer Critical Theory but Walt Whitman in his essay 'Democratic Vistas',

⁸⁰ Wall cited in Burnett, *Jeff Wall*, p. 89.

⁸¹ Fried, *Why Photography Matters*, pp. 66–82. For an equally complex counter-reading, see Christine Conley, 'Morning Cleaning: Jeff Wall and *The Large Glass*', *Art History*, vol. 32, no. 5, December 2009, pp. 996–1015.

⁸² For a view of Richard Wilson's landscape work that followed these lines of argument and at the time produced a furious controversy, see David Solkin, *Richard Wilson: The Landscape of Reaction*, London 1982.

and Diderot's remarks on the imperfectible nature of humanity. The awkward, stilted figure poses and relations that still characterize Wall's work, and which used to be related to critical modernism, alienation and forced social relations, are now bent to register democratic imperfection. Wall remarks that 'this imperfection implies gentleness and forgiveness, and the artistic challenge is to express that without sentimentality'.⁸³

The change may be registered through Wall's extraordinary urge to remake some of his early works, in particular *Eviction Struggle* (1988), which has been digitally recast using the original working shots under the new title *An Eviction* (2004). The lightboxes were already held in collections so the owners had to agree to the replacement of their old works for new. In the later version, Wall made extensive changes to the placing of figures and cars, and lessened the photograph's tonal contrast. Most significantly, and in line with the change of title, Wall removes two figures who do not merely glance at the scene but watch steadily from a distance, and who may be read as officials or landlords overseeing the eviction.⁸⁴ So we move from a piece that was a long landscape view of class conflict, to one that may more easily be read as a meditation on human imperfection, in which power relations are toned down and 'struggle' is lost.

The tension between an apparently radical description of the social consequences of neoliberalism and the spectacularly commodified character of Wall's work has evaporated. In its place, we see a celebration of what the artist takes to be democratic life as it is lived. A clear example is *Dressing Poultry* (2007), which shows women workers preparing slaughtered chickens to be eaten. One turns to the camera, laughing as if enjoying a joke, and despite the mundane clutter of the shed and the bloodied labour, the scene is almost a cheery one. Whitman recommends variety and freedom as the founding principles of his vision of democracy, and 'the full play of human nature to expand itself in numberless and even conflicting directions'.⁸⁵ It is a fair description, too, of the old ideal of the artist, the ungrounded bourgeois hero, free of material and cultural constraints, and of the work that results. When the life of this democracy appears on the lightboxes, it is not hard to read such pictures as an advertisement for what exists.

⁸³ 'Arielle Pelenc in Correspondence with Jeff Wall', p. 21.

⁸⁴ I am indebted to William Wood for this point.

⁸⁵ Walt Whitman, *Leaves of Grass and Democratic Vistas*, London 1912, p. 301.

Wall's thoughts about democracy do, though, raise questions about the possibilities for a democratic culture. Are they to be found in the exclusive, specialized culture of the few, pitched against mass culture and the mass media, that Wall recommends, one which is made by a few great artists who sustain a great tradition?⁸⁶ Are they to be achieved through rare and vastly expensive objects made by individualistic artists in signature styles? Do we need such geniuses to interpret the world visually, curators to control the way their products are seen, and the weight of those art-historical volumes that tell us how to see? Or would a democratic culture rather be collective, participatory, dialogic, less fixed on the singular object and on institutions governed by the wealthy? Would it be faster moving, freely copiable and alterable, and also perhaps ephemeral?

In 1989, in some very interesting remarks about the simplistic reduction of all representation to complicity with capitalism, Wall argued that such views are most likely to be held in capital cities where people are not only consumers of images but also tend to work in or close to huge image-production industries. In that realm, images seem to float free of context, referent and nature to become 'totally moveable properties' governed by the business cycle.⁸⁷ In the years since, the distinction between producers and consumers of images has been eroded, above all for photography and video, as almost every mobile phone has a camera built in, and as digital technology has provided the means not merely to make images but to publish them. Many more people not only take photographs but manipulate and upload them to public sites (this is the 'us' referred to above, a broad group that cuts across class divides, though still a small minority of the world's population).

The reality of a democratic image culture is hardly to be found in the broadcast model of the museum, with its policed and expert discourse, strictly guarded by copyright, but with all its imperfections in the postings of images and the dialogue they elicit on YouTube and Flickr. If that discourse is thought shallow or even vacuous, conventional, commercial, epigrammatic to a fault, even perhaps idiotic, it offers a clearer look into the face of our 'actually existing democracy' than the photo-paintings of Wall and those who have followed in his path. In both realms, word

⁸⁶ See McDonald, 'Interview: Jeff Wall', pp. 20, 23.

⁸⁷ 'Representations, Suspicions, and Critical Transparency', p. 209.

and image-making is constrained—in the museum by direct control, on the web by the frame and structure of the interface—and in both, the ideal of democratic freedom seems distant, for that would require the bringing together of complexity and accessibility, singular expression and cooperation, and power and mass participation. Perhaps, after all, the two realms might best be seen, in terms borrowed from Adorno, as ‘torn halves of an integral freedom—to which, however, they do not add up.’⁸⁸

⁸⁸ Letter to Walter Benjamin of 18 March 1936, in Adorno, Benjamin et al, *Aesthetics and Politics*, London and New York 1977, p. 123.

PROVOCATIVE

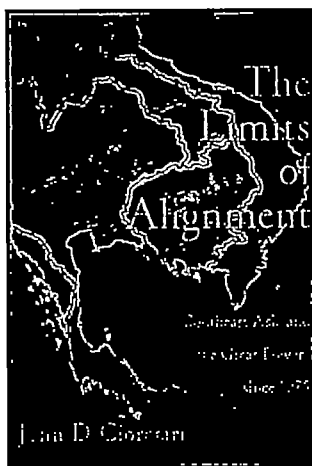


What's Going On? Political Incorporation and the Transformation of Black Public Opinion **Katherine Tate**

"A provocative and informative examination of African American public opinion. Scholars of Black politics will consult and debate this important work for many years to come."

—*Vincent Hutchings,*
The University of Michigan

978-1-58901-702-3, paperback, \$29.95



The Limits of Alignment Southeast Asia and the Great Powers since 1975 **John D. Ciorciari**

"By empirically demonstrating the ubiquity of *limited* alignment by Southeast Asian states since 1975, John Ciorciari usefully redirects our attention toward complexly contingent engagement as normal behavior in international relations. His argument is timely too, in that it showcases responses to uncertainty—a prominent current and likely future condition of (in)security in world affairs."

—*Donald K. Emmerson, director,*
Southeast Asia Forum, Stanford University

978-1-58901-696-5, paperback, \$32.95



GEORGETOWN UNIVERSITY PRESS

800 537.5487 • www.press.georgetown.edu

REVIEWS

Liaquat Ahamed, *Lords of Finance: The Bankers Who Broke the World*
Penguin Books: New York 2009, \$18, paperback
576 pp, 978 0 14 311680 6

TOM MERTES

WAR, CRASH, SLUMP

As austerity policies roll out across the Western world, markets await the next shock and central bankers' moves command the headlines, thoughts naturally turn to comparisons with the last great global meltdown. Liaquat Ahamed's blockbuster, *Lords of Finance*, is undoubtedly the most engaging narrative of the run-up to the 1929 Crash to have appeared in recent years. The elements that Ahamed synthesizes here are not especially novel. Like Peter Temin, in *Lessons from the Great Depression* (1989), and Barry Eichengreen, in *Golden Fetters* (1992), Ahamed traces the disequilibria of the 1920s and 30s back to the First World War. As per Milton Friedman's and Anna Schwartz's account of the period in their *Monetary History of the United States* (1963), monetary policy is the crucial determinant: problems of international capitalist production remain distant from the action. And as in Eichengreen, again, the dysfunctional inter-war gold standard plays a central role.

But *Lords of Finance* is different in two respects. First, this is not a work of economic scholarship but a historical narrative, in the manner of Barbara Tuchman. As a storyteller, Ahamed marries an assured grasp of pace and structure with a cinematic eye for costumes and settings. His focus is on the commanding heights of the international financial system and his principal *dramatis personae* are the heads of the American, British, French and German central banks. Chapter by chapter, the action shuttles between the major financial capitals—London, Paris, Berlin, Manhattan, with occasional

trips to Washington, DC—while characters, back-stories and personal relationships are deftly interwoven. It is little surprise that *Lords of Finance* has topped the holiday reading lists of investment bankers, winning Goldman Sachs and *Financial Times* 'book of the year' awards, as well as a Pulitzer. Ben Bernanke commended it to the Congressional inquiry into the financial crisis, Lawrence Summers to Obama's Council of Economic Advisers.

For the second difference is that, unlike the standard economic histories, Ahamed's work carries an unambiguous message of solace and support for today's financial lords. Indeed, the circles the author moves in are not far removed from theirs. Born in Kenya in 1953, Ahamed relocated to England, read economics at Trinity College, Cambridge, then crossed to the US for a masters at Harvard and a stint at the World Bank. Since the mid-1980s he has been a professional investment manager, with close personal ties to Clinton Administration officials—Strobe Talbott and his wife are thanked as 'mentors, promoters, counselors and editors' of the book. As Ahamed explains, the inspiration for *Lords of Finance* came from a *Time* magazine cover in the aftermath of the 1997 Asian crisis, showing Alan Greenspan, Robert Rubin and Summers over the heading, 'The Committee to Save the World'. The function of the book is that of apologia: damning the 1920s quartet of central bankers, the better to highlight the wisdom of the 1990s trio, and now of their successors: Bernanke, Mervyn King and other saviours since 2008.

That said, the story may contain other parallels, and Ahamed tells it with élan. His muse throughout is John Maynard Keynes, who pops up in nearly every chapter to furnish an analysis or pave the narrative path. On the two major problems facing central bankers and politicians at the time—the crushing burden of war debts and reparations, and the re-establishment of that 'barbarous relic', the gold standard—Keynes's positions cannot but strike today's lords of finance as enlightened and far-sighted. The core of the book investigates the relations between the Central Bank chiefs—members, according to the 1920s press, of the 'World's Most Exclusive Club'—and Ahamed provides a lively sketch of each. Montagu Norman, born in 1871, joined the Bank of England's staff in 1915 and was appointed Governor five years later. His forebears had been City bankers for generations, though Norman, something of a misfit, had dabbled in speculative philosophy and sought psychoanalytical help from Jung. The anglophile Ahamed is clearly charmed by Norman's life and personality: with his broad hat and pointed beard, he 'neither looked nor dressed like a banker', but 'more like a grandee out of Velázquez or a courtier from the time of Charles II.'

Norman's counterpart at the Banque de France in the late 1920s was Émile Moreau. Born in 1868 in Poitiers, to a minor landowning family, he was an outsider to the financial aristocracy; an outstanding graduate of Sciences-Po, fast-tracked through the Ministry of Finance, his career was subject to

the revolving door of Third Republic ministries. Proudly provincial, Moreau was a man of few words, 'blunt and almost rude', who made no attempt to enter Parisian salon society, preferring to spend his time hunting with fellow notables in Poitou. At the Reichsbank, Hjalmar Schacht was also a social outsider: born in North Schleswig in 1877, a country doctor's son, he combined 'a strong work ethic and brazen ambition'. Alone among the top central bankers he gained a doctorate in political economy, then a job at Dresdner Bank's headquarters in Berlin. For Ahamed, Schacht was 'a typical product of the Kaiserreich: conformist, unquestioningly nationalistic and fiercely proud of his country and its material and intellectual achievements.'

By contrast Benjamin Strong, the first chairman of the Federal Reserve Bank of New York, though not personally ultra-rich, was very much an insider. Born in the Hudson Valley in 1872, he came from a Puritan family that had landed in Massachusetts in 1630 and 'exuded the confidence of the Ivy League athletic star', although in fact he was consumptive and would retire for long spells to a Colorado sanatorium. Strong took up stock-jobbing on Wall Street after a chance worsening in family fortunes denied him his place at Princeton. Henry Davison, a key figure at J. P. Morgan, soon took him under his wing, and the pair played a central role in Pierpont Morgan's bail-out of the US banking system after the 1907 Panic. When the Federal Reserve banks were established in 1913, the New York financial elite considered Strong to be the obvious 'safe pair of hands'.

Ahamed also provides profiles of each of the central banks, which were in turn utterly distinct as national institutions. The Bank of England was the oldest and, like its European counterparts, a product of war. It was founded in 1694 during the War of the League of Augsburg with France, when a group of City bankers offered the Exchequer funding for the military effort in exchange for the authority to issue paper currency—therefore, to regulate the price of credit, through its interest rates—and for a monopoly on government business. It soon became a bankers' bank, looking after the others' deposits; accountable to its directors, paying dividends to its shareholders, yet with a vast say over the British—and world—economy. In 1914 two-thirds of global trade credit and over half the world's long-term investments flowed through the City of London. Its powers huge yet never formalized, the Bank of England at the height of the Empire was run like a gentlemen's club.

The Banque de France was founded in 1800 by Swiss and Rouen bankers who extracted the same condition from Napoleon, in return for funding the Directory's wars: a monopoly over note issuance in Paris. But when, after the disaster at Trafalgar, the Banque nearly failed to finance the Austerlitz campaign, Napoleon subjected its directors to a whiff of grape-shot. Henceforth the Governor and his two Deputies would be appointed by the government: 'The Banque does not belong only to its shareholders,

but to the state.' The Reichsbank for its part was, famously, the creation of Bismarck and his banker, Bleichröder, in 1871. Legally it was owned by private shareholders; but, on Bleichröder's advice, the Bank's Governor and top officials were made answerable to the Chancellor and representatives of the major German states.

Ahamed relishes the telling of the 1910 Jekyll Island meeting that designed the US Federal Reserve system: Strong, Davison, Paul Warburg and others travelling incognito to a supposed duck shoot with Senator Nelson Aldrich at a private island retreat off the Georgia coast, so as not to awaken suspicions that a cabal of top bankers was getting together to refashion the American monetary system. He shows clearly how the New York Fed—by far the largest of the twelve regional Reserve Banks capped by the Federal Board—dominated the Reserve system from the start. While the Washington body struggled to appoint its board, New York became its pilot and Strong the dominant force in formulating monetary policy.

Yet despite their different origins and cultures, the central banks of the gold-standard countries shared the same responsibilities: intervening to calm financial panics and maintaining sufficient reserves of bullion to guarantee their currencies, convertible to gold on demand. As Ahmed explains, national regulations varied on the precise relation of gold to paper: at the Bank of England, the first \$75m equivalent of pound notes it printed was exempt, but any currency in excess of this had to be fully matched by bullion, while the Federal Reserve was required to have 40 per cent of all the dollar bills it issued on hand in gold. All the currencies linked to gold were, by corollary, tied to each other: sterling at 113 grains of gold, the US dollar at 23.22 grains, were fixed at £1 to \$4.86. The availability of world credit was likewise tied to the world supply of bullion, expanding during new finds—the gold rushes of the 1850s and 1890s—and contracting in between, exerting a gravitational pull on prices. Within these constraints, the central banks of the major powers cooperated to raise or lower rates, seeking to maintain equilibria, with the Bank of England generally functioning, in Keynes's image, as 'conductor of the international orchestra'.

Lords of Finance opens with the onset of the Great War, which would make and unmake each of the central bankers' legacies. All four shared the conventional expectation that, if it came at all, the conflict would be a short one. (Ahamed cites the tearful plea of Walter Cunliffe, Norman's predecessor as Bank of England Governor and best known for his ferocious reparations demands at the Paris Peace talks: 'Keep us out of it! We shall be ruined if we are dragged in.') Eleven million combatants died and 21 million were wounded in the four years that followed; 9 million civilians died from epidemics, hunger or cold. Europe's treasuries were empty, its savings and investments exhausted, and its populations desperate. To pay for the war,

nations borrowed money and printed more—convertibility to gold was suspended from August 1914. All expected to pass the bill onto the vanquished, in reparations. Here as elsewhere, Ahamed follows Keynes's *Economic Consequences of the Peace* in converting all currencies into dollar equivalents: handy for comparisons. He calculates that Britain ('most responsible' of the belligerents, financially) spent \$43bn on the war: some \$9bn raised through taxation, \$27bn borrowed from the US and at home, and the rest printed; money supply doubled. France (the 'most feckless') spent \$30bn: \$1.5bn from taxes, \$10bn borrowed from the US or UK, and \$15bn raised from government bonds bought by the country's 'thrifty savers', while printing trebled the country's money supply. Germany, possessing 'neither rich allies nor a sophisticated financial market', was in the worst situation of all: \$47bn spent on the war, of which less than \$5bn was raised through taxes and much of the rest through printing; by Armistice Day, German money supply had multiplied fourfold.

As financier and arms supplier to the combatants, the US was, famously, the great beneficiary of the war. The \$20bn that Washington (with an economy three times the size of Britain's) spent on waging war in 1917–18 was largely raised through Liberty Bonds, while Wall Street lent some \$12bn to the Allies. The war effected a 'seismic shift' in world capital flows. On the eve of the Great War the Bank of England had \$200m worth of gold ingots in its vaults, the Reichsbank \$500m, the Banque de France \$800m, and the US, with its much larger economy, around \$2bn, or approximately 40 per cent of the world's total bullion supply. By 1923, the US had nearly 70 per cent of the world's total bullion, while Germany's coffers were nearly empty. Ahamed's concentration on the central banker quartet offers some interesting perspectives on the story that follows: the Paris Peace Conference, the German hyper-inflation, the 1924 Dawes loan, sterling's 1925 return to gold, the soaring American stock market, the Fed's rate-tightening in 1928, the German recession, the Latin American defaults, the Crash of 1929 and then the banking crises, exploding like a string of firecrackers from Austria to Germany to Britain to the United States, that helped transform a bad downturn into the Great Depression.

Following Keynes, Ahamed has no truck with the myth of a magnanimous Uncle Sam whose far-sighted and disinterested advice at the Paris Peace Conference and after is shunned by squabbling, petty-minded Europeans. In a chapter entitled 'Uncle Shylock' he describes how the US delegation in Paris 'reacted strongly' against French and British suggestions that, if the Americans would agree to forgive some of the \$12bn Allied debt, they would in turn moderate demands for reparations from Germany. Wilson's Secretary of State Robert Lansing was adamant that there could be no linkage: the American loans should be repaid in full. France and Britain

therefore depended on extracting large sums from Germany in order to refund the US. At the Reparations Conference that followed the Versailles Treaty England, not France, sought the highest sums, initially demanding \$100bn; the eventual figure was fixed in 1921 at \$12.5bn—Ahamed reckons that an equivalent debt today would be around \$2.4 trillion. As Keynes's *Economic Consequences of the Peace* pointed out, while signatures were still drying on the Treaty, Germany would have to build up a trade surplus in order to pay the punitive fines, thus eating into the world-market share of its main competitors.

Germany had lost 27,000 square miles of territory, perhaps six million people, and at least an eighth of its economic potential. In 1914 the mark had stood at 4.2 to the dollar; in 1920 it had weakened to 65. With a mass Social Democratic Party and a militant young Communist Party, backed by Bolshevik Russia, to contend with, the new German Republic was committed to relatively high levels of social provision: post-war pensions to widows and veterans, unemployment insurance, an 8-hour working day. Ahamed cites the Hamburg banker Max Warburg's remark to explain the hyperinflation: the Reichsbank's dilemma was whether 'to stop the inflation and trigger the revolution', or carry on printing money. Famously, Reichsbank President von Havenstein carried on printing, executing 'the single greatest destruction of monetary value in human history'. By August 1923, the mark stood at 620,000 to the dollar; by November 1923, at 630 billion. It was at this point that Hjalmar Schacht was appointed by Stresemann as the new Commissioner of the Currency. He introduced the Rentenmark, backed by a land tax and fixed at one to 1 trillion marks, and circulated a tightly limited supply: a 'bridge between chaos and hope', as he put it. Backed by Stresemann's ruthless fiscal measures, including the firing of 25 per cent of government employees to produce a balanced budget, Schacht sought to attract gold back to Germany in sufficient quantities to return to the pre-war standard. Hailed by the press as 'The Wizard', Schacht was duly appointed Reichsbank President in December 1923. The following month he was in London, being introduced to the City's powerbrokers by Norman, who reported to Strong that Schacht 'seems to know the [German] situation from A to Z and to have, temporarily, more control of it than I should have believed possible'.

The American solution to the German problem was embodied in the Dawes Plan: a \$200m loan to stabilize the Rentenmark, conditional on Berlin's acceptance of a US-appointed Agent-General who would manage the reparations fund; payments would be lower for five years, to rise in 1929. Ahamed paints the scene at the *belle époque* Hotel Astoria, close by the Arc de Triomphe: Charles Dawes was a Chicago banker who had served as Brigadier General with the American Expeditionary Force in France, 'a straight-talking Midwesterner with a long, basset-hound face who smoked

an underslung Sherlock Holmes-style pipe and peppered his conversation with picturesque swearwords'. A US-UK bankers' front led by Norman and the House of Morgan representative, Thomas Lamont, insisted on French withdrawal from the Ruhr as a pre-condition for floating the \$200m Dawes loan. The *New York Times* reported that many Frenchmen were convinced that 'America's only purpose is to make more money out of Europe's misfortunes', while the Springfield *Republican* commented, 'In the lean years that follow an exhausting war, financiers outrank generals'. In August 1924 the Dawes Conference presented the German delegation with a take-it-or-leave-it deal, and gave it a single night to reach a decision. Schacht alone spoke out against, in his 'harsh Frisian accent': 'We cannot accept the terms—we can never fulfil them.' Stresemann insisted otherwise: 'We must free the Rhineland. We must accept.' The Dawes loan set off a quickening flow of hot capital into Germany, and the green shoots of European recovery seemed to be appearing at last. Keynes summed up the Plan: 'The United States lends money to Germany, Germany transfers its equivalent to the Allies, the Allies pay it back to the US government.' The foul-mouthed Dawes was soon Silent Cal's running mate and a Nobel Prize winner.

The central bankers' recipe for 'normalcy' and stabilization was a return to the discipline of gold, ideally at pre-war parities. For the weakened European currencies there were two paths to achieve this: deflation—raising interest rates to strengthen the currency, at the expense of exports and businesses—or devaluation: accepting a lower valuation of the currency, and thus punishing savers and investors. Strong and Norman went for the former course, Moreau and Schacht for the latter. In the US deflation was not particularly difficult, since the American economy was on a much more solid footing; it had become the world's largest creditor and held a huge stock of gold. Strong, however, intervened to prevent the 'normal' function of the gold standard—the expansion of credit in tandem with the gold inflows, which would eventually encourage capital to seek other currencies with higher interest rates. Instead, he ensured that the Federal Reserve kept interest rates relatively high, thereby 'sterilizing' the growing auric hoard. Had he allowed the dollar to devalue or level off, gold would have been more likely to circulate back to Europe.

The Bank of England was in a much less advantageous position, but Norman was adamant about returning to gold at pre-war parity as a 'civilizational' matter, vital for the prestige of sterling and for London's position as the financial centre of the world. In 1920 the Fed and the Bank of England had both raised interest rates to 7 per cent, to cool an inflationary post-war consumer surge; the American economy had bounced back within a year, while Britain remained recession-bound throughout the 1920s, with two million workers redundant. Nevertheless, Norman continued to steer

the pound towards its pre-war value of \$4.86. Ahamed notes, indulgently, that Britain's economic troubles were not 'the result of ineptitude or wages of financial sin', as was the case with France or Germany, but merely 'the unfortunate side-effect of a high degree of financial piety and rectitude'. At the same time, his account illuminates the role of the New York Fed and House of Morgan in sustaining the gold-fetish policy. Strong held that if sterling failed to return to the gold standard, it could only lead to 'a long period of unsettled conditions too serious to contemplate':

It would mean violent fluctuations in the exchanges, with probably progressive deteriorations in the values of foreign currencies vis-à-vis the dollar; it would prove an incentive to all those who were advancing novel ideas for nostrums and expedients other than the gold standard to sell their wares; and incentives to governments at times to undertake various types of paper money expedients and inflation; it might indeed result in the United States draining the world of gold . . . a terrible period of hardship, suffering and social and political disorder . . . [culminating in a] monetary crisis.

In January 1925 Norman spent a fortnight as a guest in Strong's Park Avenue apartment, where—the official US line of 'hands off' on Europe notwithstanding—he was subjected to an 'intense campaign' by his host and the Morgan bankers to get sterling back on gold as soon as possible. Strong arranged for a \$200m Fed loan and \$300m from Morgan's to the Bank of England, on condition that Norman remain at the helm and a shock-therapy policy of wage and benefit reductions be pushed through 'by *force majeure*'. Churchill, then Chancellor of the Exchequer, dithered but eventually led the pound back onto gold at \$4.86 in April 1925, declaring bombastically that if 'the English pound is not to be the standard which everyone knows and trusts, the business not only of the British Empire but of Europe as well might have to be transacted in dollars'. As Keynes pointed out in 'The Economic Consequences of Mr. Churchill', the pound was now overvalued by more than 10 per cent. Workers in the export industries were hit hard, especially dockers, miners and textile workers. The following year, mine owners' demands for a wage cut and hours increase triggered the ten-day general strike.

In France, meanwhile, Moreau at the Banque de France aimed with much success at the opposite policy: keeping the franc down and boosting exports—thereby creating even greater problems of competitiveness for British industry, while soon attracting inflows of gold. Relations between the two central bankers were tense. Ahamed describes the contrast at their first meeting in 1926: 'Norman, tall, distinguished and cosmopolitan, with his trimmed beard and his well-cut dandyish clothes; Moreau, short, squat and balding, looking like a provincial notary out of a novel by Flaubert'. Faced with his Gallic opposite number, 'Norman's famous charm seemed

to desert him. He was gratuitously patronizing, and despite being fluent in French, insisted on speaking to Moreau, who spoke no foreign languages, in English throughout'. Moreau noted in his diary: 'Norman spares nothing in his efforts to flatter Strong or gain influence over him. He went to spend several days in Antibes solely because Strong was staying there.'

By the summer of 1927, then, many of the imbalances that would underlie the Crash and Great Depression were already in place: the newly reconstituted international gold standard was not self-correcting, as the pre-1914 system had been; hot money was flooding into a German building boom; sterling was pegged too high, and the franc too low. In July 1927 the leading central bankers met in conclave at a private mansion set in the 'Gatsby-esque world' of Long Island's 'Gold Coast', to debate the problems they faced; above all the need to strengthen Europe's gold reserves and encourage flows out of the US. Strong could see only one option: a cut in American interest rates, even though he recognized, as he told the French, that this would give the stock market '*un petit coup de whisky*'. Strong, steering the Federal Reserve from Manhattan, was accused—not least by Herbert Hoover—of thereby encouraging speculation in the bubble, as the Dow broke 200 and debt-based trading began to soar, brokers' loans rising from \$3.3bn in 1927 to \$4.4bn in 1928.

In this situation, the effects of the Fed's decision to raise interest rates in order to check the bubble from late 1928 were massively amplified. The reversal of capital flows, as hot money was sucked back from Germany and Latin America to the US, left the weaknesses of the indebted countries exposed and hurt British investments there. Economic competition and nationalist distrust continued to combine to erode the co-operative 'rules' that were supposed to ensure the gold standard's equilibrating function. Ahamed argues that, by this stage, the bullish stock market was 'too violent and intense to kill'. More to the point, Strong, who passed away in October 1928, his health sapped by tuberculosis and pneumonia, had not factored in the role of the non-financial economies in undermining a deeply flawed international monetary system, with Britain one of the weakest links. Personal relations reflected fracturing international bonds. At his final meeting with Norman, four months before he died, Strong raged against the Bank of England Governor 'in the most vehement language', declaring it 'stupid beyond understanding' for Norman to pick a quarrel with Moreau over who should float a loan to Romania when Moreau's hoard of sterling left the English 'completely dependent on the Banque de France'.

In February 1929, on schedule, the Americans ratcheted up German reparation payments. (Ahamed provides the menu for the opening banquet of the Paris conference that formulated the notoriously punitive Young Plan: oysters with a 1921 Chablis, lobster *à l'américain* with a 1919 Pouilly, venison

with an 1881 Château Rothschild, and so on through three more courses to finish with an 1820 Cognac Napoléon over coffee.) Schacht resigned from the Reichsbank in protest against the extortionate fines and began to align himself with the far right (he would return as Hitler's Reichsbank President and Economics Minister a few years later). By the summer of 1929, with 'Germany teetering on the brink of default, a shortage of gold, falling commodity prices, madness on the US exchanges and a chronically weak sterling held captive by the Banque de France', it was hard to tell which was the more combustible factor. Investors flooded into the safe havens of the French and American markets, while plunging prices crushed export hopes. A negative feedback loop built up as governments cut public provision and raised tariff barriers and interest rates: demand was choked even as prices were falling. A recession was already brewing across broad swathes of the world economy even before the New York stock-market crash.

From Black Tuesday onwards, central bankers were slapped back and forth by their national economies. By 1930, industrial production was down 20 per cent in Britain, 25 per cent in Germany and 30 per cent in the US. Millions more had been thrown out of work and international commodity prices—cotton, coffee, rubber, wheat—had tumbled by 50 per cent. In May 1931 the collapse of Credit Anstalt, Vienna's largest and most reputable bank, proved the final undoing of the inter-war trade, debt and currency system. Investor confidence in the Reichsbank cracked. A last-minute American offer to suspend Berlin's reparation payments was scuppered by the political demands of the French. The ensuing German banking crisis set off waves of panic across the globe. Chile followed Bolivia and Peru into default. Capital drained away from London, badly implicated in both Germany and Latin America. At the end of July, Norman left the Bank early, noting in his diary, 'Feeling queer'. His doctors diagnosed a nervous collapse brought on by excessive strain and prescribed a complete rest. The Labour government split over the House of Morgan's conditions for a loan, which included savage cuts to unemployment benefits. In September 1931 Ramsay MacDonald suspended gold convertibility; sterling fell by 30 per cent against the dollar over the next three months.

With British doors bolted, fears focused on a dollar devaluation. The contagion spread throughout the US, spawning an unprecedented run on the banks which decimated the banking system. The situation was compounded by ill-formulated Federal Reserve regulations which forced it to raise interest rates, in step with declining gold holdings, just as the economy plunged into a deflationary spiral. Only with Roosevelt's decision to come off the gold standard and devalue the dollar did the US economy hit bottom and level off. On the international front, a falling dollar eventually broke the French commitment to the gold standard, as its exports could no longer

compete. When the World Economic Conference met in London in 1933, national concerns again trumped any agreement on stabilizing currencies. The central bankers had been close to a behind-the-scenes agreement when Roosevelt sent a sharp missive scotching the deal. The rest of the decade would see an unstoppable process of beggar-thy-neighbour competitive devaluations. Not until the Bretton Woods agreement in 1944 would a stable international monetary system be—temporarily, at least—put in place.

Ahamed's concluding judgement is a succinct illustration of the 'great man' theory of history: the Great Depression was 'the direct result of a series of misjudgements by economic policy makers', starting with the debt and reparation decisions made at the Paris Peace Conference, followed by the central bankers' determination to return to the gold standard and their failure to respond in an adequate and coordinated manner to the banking crises of 1931. Leadership at the Fed after Strong's death was in the hands of 'inexperienced and ill-informed timeservers', while Moreau at the Banque de France was 'more intent on using France's newfound strength for political than economic ends'. As a result, 'what began as modest and corrective recessions in the United States and Germany were transformed by sheer folly and short-sightedness into a worldwide catastrophe'. Though Strong was responsible for the disastrous gold-standard policy, had he still been at the helm in 1931 he would have acted 'more vigorously and with greater effect' than his successor, Ahmed argues. And, of course, had Keynes been in charge from 1918 onwards, the world economy would have taken an entirely different course. The happy ending of *Lords of Finance* depicts Keynes and Harry Dexter White establishing the IMF–World Bank architecture of the post-war order amid the bucolic luxury of Bretton Woods, 'setting the stage for one of the longest periods of sustained economic growth the world has ever seen'. (Though Ahmed does not say so, it would also be an age when central bankers played a much reduced role; Paul Volcker's appointment as Chairman of the Federal Reserve in 1979 would signal their renewed world stature.)

In form, then, *Lords of Finance's* view of the causes of the Great Depression is a bracing polemic rather than a balanced adjudication of a range of complex factors, let alone an attempted model of their intercalation. During the period itself, many economists thought the roots of the problem lay in the over-investment of the previous decades, which resulted in lower aggregate demand as fewer opportunities for new investment presented themselves. Rexford Tugwell, one of Roosevelt's most influential advisors, argued in his 1933 'Design for Government' that the underlying problem was 'a present capacity for more production than is consumable, at least under a system which shortens purchasing power while it is lengthening capacity to produce'. Labour economist Charles Persons suggested

in 1930 that 'the existing depression was due essentially to the great wave of credit expansion in the past decade'—the consumer binge had evenuated in 'a great excess in competitive capacity', with large quantities of investment 'hopelessly sunk in idle plants'. Hoover stressed the problem of overproduction in Europe, and the debts and deficits there, but he also complained that the failure of the financial system had 'produced by far the largest part of the demoralization of our systems of production and distribution'. Later scholars have also pointed to the roles played by income inequality and underconsumption (Paul Sweezy), the trade mismatch between primary-producer and industrial nations (Charles Kindleberger), business cycles and stagnation (Simon Kuznets and Moses Abramovitz), misinvestment, together with the shift from capital goods to consumer production (Josef Steindl and Michael Bernstein), or deflationary spirals and poor credit intermediation (Ben Bernanke).

The real economy is almost entirely absent from *Lords of Finance*, as is the wider world beyond the four great powers: there is barely a mention of the Soviet Union, Latin America or the colonial empires on which sterling and the franc relied. Keynes is present, but the drama of his worldview is somewhat neutered. 'The last of the great English liberals', in the words of his biographer, Robert Skidelsky, brought the state in only because he saw it as 'the last resource' to redress the failings of society. *The Economic Consequences of the Peace* is, ultimately, an impassioned call to arms to save the liberal capitalist order from 'that final civil war between the forces of Reaction and the despairing convulsions of Revolution, before which the horrors of the late German war will fade into nothing'. The deeper politics of Keynes's approach to the reparations question—'debt as an engine of American lending, foisting the yoke of New York bankers on Europe'—likewise eludes Ahamed; Skidelsky's suggestion that Keynes, disturbed at the passing of financial power from London to New York, sought to build up Germany as a partner to resist the 'Americanization of the world', is closer to the mark.

What comparisons can be made between the concatenation of crises that inaugurated the Great Depression and the world-economic problems of today? In a striking epilogue, Ahamed draws out three distinctions. Firstly, the scale of the 1930s meltdown: over a three-year period, real GDP in the major economies fell by over 25 per cent, commodity prices fell by half, wages by a third, and a quarter of the male workforce was unemployed; almost every sovereign debtor defaulted, including Germany, the third largest economy in the world. Secondly, the crises of 1929–31 came 'cascading one upon the other in a single, concentrated two-year period'; by contrast, those that have buffeted the world economy since the end of the Cold War have 'conveniently struck one by one, with decent intervals in between'. Here,

Ahamed proposes an interesting set of parallels between the component crises of 1929–33 and those of our own era. He argues that the 1928 halt in the flow of American capital to Europe, which tipped Germany into recession, has its counterpart in the Mexican peso crisis of 1994. The Crash is paired with the burst of the dot.com boom in 2000: ‘both followed a frenzied bubble in which stocks completely lost touch with economic reality’, becoming overvalued by 30–40 per cent. The 1931 evaporation of confidence in German and Central European banks has its analogue in the ‘emerging markets’ crisis of 1997–99, which affected not only Thailand, Indonesia, South Korea and Russia but also Argentina and Brazil. Finally, the 1931–33 sequence of banking panics twins with the credit crunch and global crisis of 2007–10:

The present turmoil has also led to a mass run on the financial system—this time not by panicked individuals but by panicked bankers and investors pulling their money out of not only commercial banks but investment banks, money market funds, hedge funds and all those mysterious ‘off-balance-sheet special-purpose vehicles’ that have sprung up over the past decade. Every financial institution that depends on wholesale funding from its peers has been threatened to a greater or lesser degree.

In some respects, Ahmed argues, the current crisis is ‘even more virulent’ than the banking panics of the early 1930s. In those days, depositors had to line up physically outside their bank to get their money, whereas now ‘massive amounts of money are siphoned off with the click of a mouse’. Moreover, the world financial system has grown far larger, relative to GDP, and has become far more complex and interconnected, with much greater leverage and reliance on short-term wholesale sources of funding that can ‘evaporate overnight’. The international banking system is thus far more vulnerable today, Ahmed concludes.

Offsetting this, however—and this is the third major distinction to be drawn with the 1920s and 30s—has been the admirable response to the 2008 crisis by central bankers and treasury chiefs. Without their unprecedented moves to ‘inject gigantic amounts of liquidity into the credit market and provide capital to banks’, there is little doubt that the world financial system ‘would have collapsed as dramatically as it did in the 1930s’. This time round, the lords of finance have ‘staved off a catastrophe’—in the words of *Time* magazine: saved the world. A less complacent reading, however, would suggest that, far from being happily different, the strategy of today’s central bankers has been all too comparable to that of Norman, Strong et al: propping up a broken financial system, itself a product of deeper underlying problems in the real economy. Alan Greenspan and Ben Bernanke at the Federal Reserve, Mervyn King at the Bank of England and Jean-Claude Trichet at the ECB all shared a penchant for ‘light-touch’ regulation of the hypertrophied financial sector. Greenspan deliberately encouraged the

inflation of the US housing bubble, and its spread into sub-prime territory, after the dot.com bust. Bernanke and King ensured that Wall Street and the City of London would dictate the 'solutions' to the crisis. All are now pushing for pro-cyclical austerity measures; none have questioned the fundamental design of the banking system. Like Norman, King aimed to keep the pound strong, boosting London's role in international finance but destroying domestic manufacturing.

Greenspan himself has recently argued that the present crisis is rooted in the vastly expanded labour force producing for export markets, driving up GDP in the 'developing' world and thereby creating more savings than 'global intentions to invest'; a historically low US interest rate is thus the result of a lack of other investment opportunities. In fact Greenspan and Bernanke, like Strong, though well aware of the importance of Fed decisions on the international monetary system, in the last instance based their actions on the needs of the domestic economy. Hence the return of the national blame game so evident in the 1920s and early 30s. The Anglophone financial press is loud in its criticisms of the excessive savings of Asian nations, especially China, and of Germany. British policymakers have come under attack for abstaining from the EU-IMF promise to hold the cracking euro together. Congress has led the campaign for pressure on the PRC to let the renminbi strengthen against the dollar; the greater Chinese consumption that would supposedly follow proposed as the missing tonic for the flagging US economy.

The systemic problems caused by the declining profitability of the advanced capitalist core, the hyper-expansion of its financial sector and the destabilizing rise of a new 'workshop of the world' in the Far East are on a different scale, morally as well as economically and politically, to the devastation wrought by World War One. Yet many of the symptoms of dysfunctionality today bear an uncanny resemblance to those of the late 1920s: excess capacity from overinvestment in the same lines; untenable levels of sovereign, personal and corporate debt; high levels of inequality; escalating recurrences of financial-market failure; above all, perhaps, an absence of intellectual and political leadership in the wealthiest nations that would be willing to make the sweeping structural changes necessary to 'save the world'.

Alain Supiot, *Homo Juridicus: On the Anthropological Function of the Law*
 Verso: London and New York 2007, £19.99, hardback
 274 pp, 978 1 84467 105 2

TOR KREVER

CALLING POWER TO REASON?

Jurists were once revered as priests, high guardians of the law endowed, in the Roman adage, with 'knowledge of what is equitable and just'. If such dicta continue to adorn many a courthouse and law-faculty frieze, jurists in growing numbers pray to a new omnipotence: not equity and justice, but economic efficiency. The hegemony of the 'Law and Economics' movement now extends far beyond its North American homeland. Its apostles take as their methodological starting point the rational-choice framework of neo-classical economics: all human behaviour can be explained as the product of individual agents making rational, utility-maximizing decisions, based on a stable set of preferences. Legal rules are evaluated—ideally, designed—with reference to a calculation of alternative efficiency outcomes; society comprises the sum of individual utilities. On law-school campuses today, justice has become virtually synonymous with optimal market allocation.

Alain Supiot's *Homo Juridicus* is, at one level, an extended and trenchant polemic against this dominant approach; at the same time, his critique of the juri-economists' discourse of incentives, rational actors and efficient breach is embedded in a larger—historicized and anthropologized—vision of law as a socially constitutive force. Professor of Law at Nantes, Supiot is best known for his work on labour rights. His 1994 *Critique du droit du travail*, on the transformation and regulation of work in a post-industrial society, became a landmark in the field. He subsequently chaired a European Commission inquiry into the conditions of, and outlook for, labour in Europe. Its conclusions, published in 1999 as *Au-delà de l'emploi*, and two years later in English as *Beyond Employment*, became known simply as the Supiot Report. Its starting point was the simple, radical postulate that the economy should

be adapted to meet the needs of human beings, rather than humans adapted to the needs of markets. The crisis of the Fordist industrial model should be used as an opportunity to improve the lot of the majority, not to intensify a race to the bottom. Writing at the height of capital's drive for labour-market deregulation and the elimination of workplace protections—'institutional rigidities'—Supiot offered a searing critique of European labour law in the context of the changing nature of employment itself.

Homo Juridicus extends the scope of Supiot's thought to the phenomenon of law as a whole. It is a highly ambitious work: a guide to the origins of Western law and an inquiry into its anthropological function, rich in historical and etymological erudition; and an uncompromising critique of contemporary jurisprudential developments. These are not the parochial concerns of the legal adept. Supiot's starting point is the constitution of the social bond, through language: 'every human being is born into a world of sense', which gives meaning to his or her existence; to have access to it, every child must learn to speak, and so to recognize the laws of language. 'If we are to express ourselves freely in a language, we must first submit to the limits that give words meaning; without this radical heteronomy, we would have no autonomy.' Humans are not born rational: they become so by gaining access to meaning shared with others; every human society in its own way 'undertakes the institution of reason'. This, in turn, requires a broadly shared belief system: the acceptance of certain basic axioms—dogma, in the primary sense of the term—that appear to their adherents as 'self-evident truths'. Supiot cites Tocqueville—'Dogmatic beliefs can change in form and object, but there will always be opinions that men accept on trust'—and Comte:

Dogmatism is the normal state of the human mind, the state to which by nature it tends. For scepticism is a state of crisis, the inevitable result of the intellectual interregnum which necessarily occurs whenever the human mind is called to change doctrines—an essential means to permit the transition from one dogmatism to another . . . Modern people have obeyed this imperious law of their nature even in their revolutionary periods, since whenever it was necessary to act, if only to destroy, they were inevitably led to give a dogmatic form to ideas which were in essence purely critical.

Supiot contrasts the different approaches to the social 'institution of reason' adopted in the Confucian world and in the lands of the Peoples of the Book. In China and Japan, social bonds depend not on 'verbal pledges' but on 'maintaining the harmony that prevailed when the bonds were first formed', in the context of the changing nature of people and circumstances. In the traditional societies that took Christianity, Judaism or Islam as their foundations, 'the legislative power of the Word of God' provided a model that could be appropriated by humans for their own ends. In mediaeval

Europe, religion was 'not a private matter' but a purely public affair: princely power and the natural world were both ordained by God's unchanging laws. Supiot traces the differentiation of religious, natural and human laws from this original unity, at the dawn of the early-modern age: scholars ceased to see themselves as guardians of the divine law and instead set about deciphering what Descartes called 'laws which God has established in Nature'. Not much later, new concepts of civil and political law were established on the dogma—the 'self-evident truth'—that 'all men are endowed by their Creator with certain inalienable rights'. Following Panofsky, *Homo Juridicus* compares the ontological outcome of the systematization of human and scientific law with the 'discovery' of the laws of perspective in art, which established the artist's individual viewpoint as the organizing principle of the image: both 'a triumph of the distancing and objectifying sense of the real' and 'an extension of the domain of the self'.

With the secularization of Western society, the state came to replace the 'two bodies' of the King: ministers change, the central-national defender and administrator lives on. It was now law, not religion, which instituted human beings as such. For the great anthropological achievement of law, Supiot underlines, is to link together our biological and symbolic dimensions—to 'connect our infinite mental universe with our finite physical existence'—through an adaptable social process that allows us to become *homo juridicus*: 'neither beasts nor angels', in Pascal's phrase, but rational social subjects; people of law. Just as we are freed to communicate through the heteronomy of language, so we are able to pursue a richer social existence through the heteronomy of law, as a field of rules existing independently of us as individuals. The dogma of law provides—and, ideally, the legal system articulates—a vision of systematized justice, offering a common compass to all members of society. People 'cannot live freely and peaceably without the dogmatic nature of the law'. This humanizing, interdictory power of the law arises not so much from its positive content, 'the letter of the Text', but from the resources for interpretation that it harbours. In principle, law is as much a hermeneutic device as a system of norms. It creates a discursive space in which a shared vision of justice can be forged through dialogue; in which questions of value can be posed, the exercise of power challenged and the cold logic of the market subordinated to broader human needs. The promise held out—if never actually delivered—by post-war European social democracy represents, perhaps, the high point of its advance to date: this seems Supiot's implicit conclusion.

Today, this humanizing, anthropological function risks being buried by 'scientific' approaches that ignore the human being as subject—a rational individual under the law—and treat her as mere object: an 'accounting unit, like cattle'. This reductionism is most evident, Supiot argues, in the

subordination of legal dogma to the law of the market. He traces the origins of the Law and Economics paradigm to Gary Becker's work, although it is another Nobel-anointed Chicago economist, Ronald Coase, who is generally identified as its founding father: his 1960 article, 'The Problem of Social Cost', was particularly influential in elevating efficiency as a guiding concern for legal analysis. Another notable figure is the Italian-born Guido Calabresi, erstwhile Dean of Yale Law School (where his students included Supreme Court justices Samuel Alito, Clarence Thomas and Sonia Sotomayor), and Clinton's nominee to the US Court of Appeals for the Second Circuit, which covers New York, Connecticut and Vermont. Other prominent practitioners are Richard Posner and Frank Easterbrook, also Chicago-affiliated and both Reagan nominees to the Seventh Circuit, serving Illinois, Indiana and Wisconsin; both regularly employ economic analysis in their judicial opinions.

If Chicago was a natural birthplace, the movement's theorists are now distributed far and wide. Robert Cooter and Thomas Ulen, authors of the influential textbook *Law and Economics*, currently in its fifth edition and quoted at length by Supiot, enjoy chairs at Berkeley and Illinois respectively. Law and Economics centres exist throughout the US, many created with grants from the chemicals-and-munitions derived John M. Olin Foundation, one-time favourite funder of conservative think tanks—programmes at Chicago, Harvard, Stanford, Virginia and Yale all bear Olin's name. The movement's influence on the bench is not limited to the Western side of the Atlantic: as Supiot notes, France's highest judge, the First President of the Cour de Cassation, has opined that his colleagues 'should be able to integrate an economic analysis into their legal arguments'.

The intellectual reach of the Law and Economics approach is apparent in the changing theory of contract. A vast literature surrounds the relation between 'law', imposed on us by our civil status, independent of our will, and 'contract', a legal bond voluntarily agreed between individual parties. Supiot cuts through the ahistoricism of the legal economists—contract as universal, transhistorical form—to trace the arc of the contract's development from its origins in the early Christian's moral duty to honour a promise before God: *pacta sunt servanda*—agreements are respected. In its canonical form, contract represented an ethical commitment, based on trust: the promised word, which bound equal persons freely taking on reciprocal obligations. The task of contract law was to evaluate an agreement or conduct—a breach, say, or unconscionable practice—with reference to values: relationship, reciprocity, good faith. Today, the binding force of contract is based solely on economic considerations, and questions of value are supplanted by a Holmesian calculus of efficiency—one blind to asymmetrical power relations or social context. The 'efficient breach of contract' doctrine, which

exerts a growing fascination on the bench, proclaims that the duty to honour a contract means no more than the duty to pay damages, if a breach proves more advantageous. The already visible horizon of this trend, Supiot warns, is a world in which 'convenience trumps commitment, and trust is eviscerated by the demand that resources be allocated efficiently'.

What are the implications for the lived reality of law? Supiot describes a dramatic extension of contract as the organizing principle of contemporary social life, leading to a 'proceduralization' of law, in which substantive content is replaced by rules on negotiation. 'The agreement of the person obligated tends to become a sufficient justification for the obligation', and we are free to contract away our 'inalienable' rights. In the absence of a legal compass the logic of the profit rate predominates: new kinds of contracts emerge, their aim to legitimate the exercise of power by allowing people to be placed 'within the sphere of power of another person'. This 'new feudalism' casts its shadow over all social relations but is felt particularly keenly in the workplace, in the worsening balance of power between employees and company owners—the hinge of Supiot's narrative, to which he repeatedly returns. The individualization of occupational status—salaried, freelance, part-time, self-employed—has helped to undermine a labour-law regime premised on a traditional Fordist model of work. At the same time, thanks to advances in technology, lines between private and professional life—factory, street, office, home—are blurred. Workers are increasingly vulnerable to the 'fantasy of ubiquitous availability'. As in *Beyond Employment*, Supiot calls for a catholic understanding of 'work' in all its forms. Law is once again needed to reconstitute a working community that is both 'physically healthy and socially tolerable' and to protect the individual against corporate or technological omnipotence.

At the global level, the state as legislator increasingly has to contend with American-designed international financial institutions, laying down the law on economic and monetary systems. National legislation is replaced by 'technical' norms—'indicators of healthy management as defined by experts in international economic and financial institutions'—and government by locally accountable, elected representatives gives way to 'governance' by appointed experts, answering to unseen masters. Here again, contract wins out over law: a central legal task of the IMF, World Bank and WTO is to 'ensure that the freedom to contract beyond frontiers overrides respect for national legislation'. But globalization has long proceeded 'hand-in-hand with the domination of the Western countries over all others', Supiot writes. The question it now poses for the anthropological function of the law is an old one: are there beliefs shared by all humanity—'values that are universally recognized, if not universally observed'—that might provide common principles on which to re-found the globalized world? Each of the major

civilizational belief systems presents its own world-view; yet, like Hokusai's thirty-six views of Mount Fuji, 'each serves to convey different facets of the same object'. Like languages, none is more truthful than the others; but to extend the analogy, 'translation should be possible between them'. This requires that we recognize a plurality of normative constellations, through which all cultures can partake in a global hermeneutic endeavour to arrive at a shared vision of justice. One priority, Supiot suggests, would be to produce an international-legal definition of terrorism that could encompass the deliberate extermination of civilian populations for political purposes (Guernica, Dresden, Hiroshima) and safeguard us from the troubling effects of a 'war on terror' without end.

Homo Juridicus proposes that this global vision be based on a form of human rights, albeit 'reinterpreted and transformed'—not 'a creed imposed on humanity' as in the West's 'empire of good', dispatched with missionary zeal from Baghdad to Port-au-Prince, but 'a common dogmatic resource open to interpretation by all peoples'. Supiot writes enthusiastically about non-Western legal cultures: the indigenous Japanese institution of *giri* with its imperative of community harmony, for instance. He particularly stresses the collective rights that feature in the 1981 African Charter on Human and Peoples' Rights, including 'the people's right to struggle against foreign domination, be it political, economic or cultural', and 'the duty to preserve and strengthen social and natural solidarity'. He sees a correspondence here with the 'duty' to ensure social welfare through compulsory tax or national insurance contributions that was the cornerstone of 'old' Europe's social model, now in fiscal and ideological crisis.

Might such duties of solidarity be given an international dimension, to counter the harmful effects of globalization and set limits on the commodification of people and things? Supiot envisions the development of international labour rights that would allow the weak to use the weapons of the law: those affected by trade liberalization should have the right to form trade unions to negotiate at international level; those who benefit from an economic transaction should be held responsible for any damage it causes to people or to the environment; Southern farmers should be able to contest Northern agribusiness 'dumping'. Somewhat implausibly, perhaps, he argues that 'the simplest solution' would be to allow parties in a dispute taken to the WTO to submit a plea of lack of jurisdiction. The case would then be referred to an *ad hoc* body for settling disputes, under the auspices of the relevant international organization—ILO for labour and social protection; UNESCO for culture—thus permitting the development of a social hermeneutics of transnational law.

By any measure, *Homo Juridicus* is a radical, challenging and important work. Informed by an international cast of mind and a polymath's

engagement with materials that span a stunning geographical range and disciplinary gamut—Chinese and Japanese legal traditions; European Union directives and French labour law; anthropology, philosophy and social theory—the book is a welcome respite from the monoglot pedantry typical of the Anglophone legal academy today. Intellectual breadth is matched by intensity of style: Supiot writes with brio, not afraid to express contempt for those with whom he disagrees. Some of this territory has been traversed before. Engels had described the juridical worldview as a ‘secularization of the theological’, where justice takes the place of divine right and the state that of the church, over a century ago. Much has been written in recent times of the changing organization of work and employment forms in post-Fordist capitalism and the dangers attendant on the religious fervour with which human rights are foisted by ‘developed’ on ‘developing’. There are times, too, when the reader would like more flesh on the jurist’s elegant outlines: on the whole, theory eclipses concrete legal analysis and empirical examples are sparse and eclectic, drawn largely from French or EU law. The real value of Supiot’s venture is the ease with which he moves across a complicated and varied legal topography to encompass the global and local, historical and contemporary—veering from international human rights to French family law to the classical origins of contract—all within an overarching theory of law in human society, capable of generating a utopian programme for the generations to come. What questions might be posed of it?

First there is the matter of law’s humanizing tendency. In Supiot’s presentation, law takes on a peculiar agency—‘law intervened . . . to reconstitute a humanly viable space-time’; ‘law replaced “what is not possible” with “what is not permitted”’; ‘law objects’ to the inhuman. But law is itself socially produced; its achievements in mitigating the inhuman working conditions to which the machine age gave rise were won only after—and were the products of—long struggles between labour and capital, outside the juridical and legislative processes as well as within them. If the rights gained by workers represent a historically contingent balance of interests, might law not reflect, if only at a different juncture or within a different constellation of forces, an alternative such balance, one in which law serves to bolster inhuman tendencies, or protect and reinforce injustice and inequity, even as it superficially seeks to mitigate these outcomes?

To even pose the question, Supiot suggests, is to open the door to lunacy and totalitarianism. Law as the product of political or economic forces was the stamping ground of the Marxist critique, ‘brilliantly formulated’, as Supiot concedes, by the Bolshevik jurist Pashukanis in his *General Theory of Law and Marxism*; and developed more recently by critical French theorists, such as Maurice Bourjol, and by the American Critical Legal Studies movement, prominent representatives of which include Duncan Kennedy,

Roberto Unger and Karl Klare. Both the Marxist and CLS approaches, Supiot insists (if unfairly), ignore law's dogmatic role in constituting humans as subjects and reduce law to 'a mere instrument of force' and a 'technique of power'. Left legal critiques are thus dispatched, virtually in a footnote, as dangerous descents toward the gulag.

But in this move, Supiot cuts himself off from potentially important debates. The Critical Legal Studies movement has produced serious work on liberal legalism's doctrinaire separation of law and politics, and the notion that legal practice will yield one 'best decision' through neutral application to a particular case or set of facts. Rather, judicial decisions reflect the same considerations that inform any partisan dispute. On this view, legal doctrine serves as a legitimating discourse, presenting political choices as inevitable and disinterested decisions. If identifiably a movement of the left, the 'Crits' were always an eclectic collection of theorists drawing on Marx, but enamoured no less with the post-structuralism of Foucault and deconstructionism of Derrida. With an accelerating turn to post-modernism, identity politics and literary theory—along with the toll of 1980s tenure battles—CLS's life as an organized movement was short-lived. But many of its critiques, especially Kennedy's *Legal Education and the Reproduction of Hierarchy*—law school as 'ideological training for willing service in the hierarchies of the corporate welfare state'—retain their salience today.

The Law and Economics movement remains ascendant and, if neo-liberalism is under challenge elsewhere, its acolytes in the legal academy remain untroubled, currently extending its application to new areas, such as public international law. The hold of this approach over the judiciary is only likely to increase, as a new generation of judges trained in efficiency calculi and the superiority of market allocation graduate to the bench. And yet, the North American law-school campus remains a far more intellectually diverse environment than any contemporary mainstream Economics department. Feminist legal theory, critical race theory, interdisciplinary ventures such as Law and Mind Sciences, or Law and Humanities—some explicitly critical of the Law and Economics movement—all offer competing, if idiosyncratic, approaches to the law. The human-rights lawyers, for their part, remain aloof, confident in the righteousness of their cause; but here, too, heterodox voices are raised, even if these leave little impression on moral certainties. Whether any will challenge the dominance of the legal economists in the near future appears unlikely. But Supiot might have found further interlocutors here.

A second set of questions concerns the contemporary relations of law and power. 'Law has served many varied purposes', Supiot writes, 'but it has served them by subordinating power and technology to human reason.' In making his case for the power of legal reasoning, however—law as a

discursive space, in which the classical jurist plays normative dragoman to competing visions of justice—Supiot seems to neglect the criticism that not all voices in the hermeneutic endeavour are equal: some will be silenced, others privileged. Why, in the dismally unequal world of contemporary social relations, would we expect a true overlapping consensus to emerge? For Supiot, the social-democratic welfare state remains the high-water mark of law's humanizing effects. Labour law put in place restrictions on the working day, liability for injury and damages, collective freedoms for the workplace. But these legal safeguards to the Fordist employment arrangement were at best palliative, a compromise between economic dependence and social protection which left the underlying radical asymmetry of the relationship untouched. Wage-labour was exploitative before Supiot identified new forms of subjugation in contemporary modes of organization of work—just as Monsieur Jourdain spoke prose long before discovering the name for this form of speech.

Similar questions might be asked of Supiot's imaginative prescriptions for a global social hermeneutics. Who takes a dispute to the WTO in the first place? As with his discussion of the interpretative venture at the level of the nation-state, there is something question-begging in the assumption that this discursive encounter will necessarily be productive or egalitarian. Given the unprecedented concentrations of wealth and power defending and advancing the current world order, how do we get there from here? Posing the problematic as the disappearance of law—and the prescription as more law—recalls the laments for international law in the era of Bush and Guantánamo. But as China Miéville has noted, such epitaphs often serve to obscure continuities of imperial power.

Should we share Supiot's optimism? His corrective stands in sharp contrast to the contemporary trends he describes. The growth of justice-sector 'reform' projects to bring developing countries' laws and legal institutions in line with 'international standards' has given rise to a veritable industry over the past decade. Multilateral development banks, government development agencies and NGOs are intervening directly in less powerful countries' law reform. The International Bar Association's International Rule of Law Directory lists 1,317 organizations providing 'rule of law' reform assistance. The World Bank is involved in almost 2,500 justice-sector reform projects around the globe. Most of these are concerned with securing private property and entrenching contractarian market relations; only few contain 'access to justice' components. The Bank's efforts to produce quantitative indicators measuring the quality of national legislation and legal institutions—the World Governance Indicators and *Doing Business* reports, for instance—offer an insight into the goals of reform: high scores for security of private property and facilitation of business activity, low scores for labour protection or other 'inefficiencies'.

Such law-reform projects are essentially of a piece with neoliberalism: recasting law as technical norms forecloses the former as a site of political contestation, while continuing a project to embed social relations in the market at a juncture when traditional structural-adjustment programmes are no longer fashionable. International competition law has been elevated to the status of a global constitution, a transcendent order which national legislation exists to serve. If Supiot's corrective is a shade utopian, his diagnosis that something is amiss with contemporary trends in law and jurisprudence is an apposite and welcome contribution to a dissenting tradition. At times angry, *Homo Juridicus* is more call to juridical arms than jeremiad. Return to the barricades, Supiot urges, and reclaim the law as humanizing corrective to the omnipotence of the market or reductive science: justice need not be a phantasmagoria, nor the jurist a mere market factotum.

Mehran Kamrava, *Iran's Intellectual Revolution*
 Cambridge University Press: Cambridge 2008, £32.99, paperback
 280 pp, 978 0 521 72518 7

KEVAN HARRIS

ISLAM'S LAND OF IDEAS

If hostility or indifference to serious intellectual culture has been a growing trend within the Atlantic world over the past decades, in Iran, where Jalal Al-e Ahmad penned *On the Service and Treason of Intellectuals* over forty years ago, arguably the reverse is true. When Habermas visited Tehran in 2002, and Rorty two years later, thousands flocked to attend their speeches, overflowing the lecture halls. A daily supplement to the *Etemaad* newspaper, shuttered this past February, could likely contain an interview on Austro-Marxism, an exegesis of Kant, or fifteen pages given over to contemporary Iranian novelists and poets, available at almost every kiosk. Not for nothing did the cultural theorist Dariush Shayegan describe the country as the Germany of the Islamic world—the land of philosophy. It could be said that Dariush Mehrjui's mischievous portrayal of the post-revolutionary Iranian intellectual scene in his 1990 film *Hamoun* retains its bite: a failed philosopher torturing himself into an existential tizzy, occasionally spouting half-hearted leftist slogans from his younger days, while his boss lionizes the East Asian capitalist miracle. But nevertheless, this is a field in flux: Iran's is a fast-changing society, in which received ideologies—whether the Islamic Republic's theocratic nationalism, or varieties of Western liberalism and 'modernization theory'—inevitably clash with uneven social, political and economic realities. Written before the 2009 presidential elections, and the rise and fall of the Green Movement, but scarcely outdated by those events, Mehran Kamrava's *Iran's Intellectual Revolution* attempts an up-to-date mapping of the outcomes.

Kamrava joins an already crowded field. Hamid Dabashi's *Theology of Discontent* (1993) subjected the pre-1979 writings of Iranian religious

thinkers, both lay and clerical, to a microscopic examination, reconstructing their ideological stances in the light of the legitimacy crisis of Pahlavi modernization, and lending a Furet-tinged wholeness to the role of Shia Islamic political thought in the prelude to the Revolution. Mehrzad Boroujerdi's *Iranian Intellectuals and the West* (1996) covered wider territory. In Saidian wrapping, it offered a sociology of the clergy as organic intellectuals of the popular classes, radicalized in opposition to the Shah's 1960s education and land reforms which eroded the *ulama's* status and religious-endowment lands. Equipped with capable orators, strong local networks, a robust 'counterculture', centralized leadership and a blueprint for action, the clergy, Boroujerdi argued, was the only force poised to compete for political power in 1979. More broadly, his book traced the development of a 'nativist' discourse in Iranian thinking, which dichotomized all social questions into their relation with an essentialized West. A decade later, Abbas Kazemi's *Sociology of the Religious Intellectual Movement in Iran* (2004) was one of many works that presented the 'new religious intellectuals' of the 1990s—the best known being Abdolkarim Soroush—as epistemological agents of Iran's belated acceptance of modernity, able to indigenize the 'grand concepts' and craft a path to the religious democracy epitomized in the early rhetoric of Mohammad Khatami's presidency. In Behrooz Ghamari-Tabrizi's collection of essays, *Islam and Dissent in Post-Revolutionary Iran* (2008), Soroush is cast as a democratic theologian, exemplifying how the politicization of Islam has in fact secularized the sacred in Iran, the unintended outcome of a religion made public in every sense of the word.

Kamrava, based at Georgetown University's outpost in Qatar, might broadly be assimilated to this approach. His book's title is something of a misnomer: rather than an 'intellectual revolution', it schematizes a triangular intellectual contest between three 'distinct yet overlapping' discourses, expressions of different 'ideological identities': conservative-religious, reformist-religious and secular-modernist. The first is the officially sanctioned discourse of the traditionalist clergy, many of whom were active in the Revolution, and whose rule was consolidated in the 1979 Constitution, which enshrined the position of 'Supreme Religious Guide'—the *velayat-e faqih*, or Absolute Jurisconsult—at the pinnacle of the state. The second trend, emerging out of the first, and in reaction to it, is 'articulated primarily by intellectuals who were themselves once key figures within the post-revolutionary establishment'. From the late 1990s, it found itself 'unexpectedly but quite happily', on Kamrava's view, 'in political tandem with "the reform movement"', and thereafter has shared the same 'often-bumpy road'. The third discourse is a refurbished secular-modernist one, still 'somewhat embryonic'. Successive chapters of *Iran's Intellectual Revolution* discuss the key thinkers of each trend. Unlike Boroujerdi, for example, Kamrava offers no sociological contextualization for

his intellectual pen portraits, nor any empirically grounded assessment of the relative weight of the three discourses within Iranian society. But his summaries of the various bodies of work are crisply efficient.

An introductory chapter situates today's thinkers as the fourth generation of modern Iranian intellectuals, following Ramin Jahanbegloo's influential characterization of a 'fourth wave'. The first generation had emerged around the period of the 1906 Constitutional Revolution; the second was broadly associated with the developmental project of the Pahlavi dynasty; the third was the 'revolutionary generation' of the 1960s and 70s—against which, from the 1990s onwards, the fourth wave has sought to define itself. It might be thought that the religious conservatives, by definition, would stand outside this classification. But upon examination, the 'tradition' of the traditionalists turns out to be of rather recent date. Kamrava distinguishes four tendencies within 'conservative-religious discourse': 'Hezbollahi' radicals, including most *basij* members, past and present; Islamic councils, active on campuses and in professional associations; traditionalist clergy, including most Friday Prayer imams and the Leaders' Representatives on state bodies; and (more adaptable) neo-conservatives. Regrettably, though, Kamrava focuses only on the latter two, as responsible for 'the most serious production of ideology', omitting any discussion of the means by which Iran's revolutionary institutions, such as the barely studied *basij*, reproduce and renew themselves.

The key differences between the traditionalist and 'neo-conservative' clergy centre around the role of *ijtihad*, or interpretation of the holy scripture: who can practise it and how it should be done. This naturally emerged as a huge question for the post-revolutionary government, as Shia clerics struggled to run an oil-producing state and mass-consumer society on the basis of an essentially pre-modern jurisprudence. Traditionalists emphasize the value of the experience and worldview gained by years of religious study; only those with the correct training—the *ulama*, or learned ones—possess the knowledge necessary to produce new interpretations. For Kamrava, the arch-representative of this tendency is the Qom-based Ayatollah Mohammad-Taqi Mesbah-Yazdi, who explains:

The Islam that we believe in is what has been interpreted by the Twelve Imams and, alongside them, by fourteen centuries of juridical work by the *ulama*. That is the interpretation that informs our understanding of Islam. If there are new interpretations that call for alterations to the teachings of Islam and the creation of a new Islam, we want nothing to do with them. And I do not think the average Muslim wants anything to do with this new Islam either, or with Muslim '*Babs*' [doors to new exegeses] or '*Martin Luthers*'.

This Burkean disquisition then adds that the responsibilities of an Islamic government include 'social and economic development', ideally led by a

velayat-e faqih. The transference from religious jurisprudence to political jurisprudence is not new, conservatives argue, but has been required since the days of the Prophet by the conception of Islam as a 'total' religion. In fact, of course, Islamdom has always made prudent allowance for wide variations of local custom and mores wherever political rule was involved. In Mesbah-Yazdi's formulation, though, legitimacy comes not from a social contract, cultural norms or political institutions such as constitutions and elections, but from above: 'No one has the right to rule over others unless given the legitimacy to do so by God.' On this basis, the *velayat-e faqih* is the leader of the state because the *ulama* deem it so in accordance with their *ijtihad*. This—almost avowedly circular—justification for rule underpins the more infamous quotes by Mesbah-Yazdi, often used as political fodder by the reformists, on the unimportance of Iranian elections or mass participation in political life. Whether the *ulama* are best represented by the Assembly of Experts, the 86-member body of clerics that appoints and can dismiss the Supreme Guide, and whose typical member is an septuagenarian, is another issue.

On the same city block that houses Mesbah-Yazdi's bureau in Qom sits the office of the late Hossein-Ali Montazeri, the spiritual 'godfather' of the Green opposition movement and characterized by Kamrava as a neo-conservative. A Grand Ayatollah, Montazeri had been Khomeini's chosen successor until a falling-out in the late 1980s, when he protested the execution of thousands of political prisoners. Indeed, in a 2003 tract, Montazeri reminded readers that he was one of the few clerics who actively pushed for the establishment of *velayat-e faqih* in the early moments of the Revolution. The position was by no means preordained. While Khomeini used the term in the 1960s, he did not raise it during the initial debate over the Constitution in 1979. The original draft of the Constitution was based on that of the French Fifth Republic—Khomeini was after all in exile in Paris—and then amended in a more social-democratic direction under pressure from revolutionary clergy and the left. In the Assembly of Experts that ratified the final draft of the Constitution, now including the article on *velayat-e faqih*, Montazeri and his allies made their case for ideological guidance by a 'source of emulation'—*marj'a-e taqlid*—not by reference to Shia Imams but to more profane sources: Rousseau and Mao.

In fact the loose clerical hierarchy of Twelver Shiism, with the *marj'a-e taqlid* at its peak, was not institutionalized in its current form until the 19th century, under the Qajar dynasty. Only in its first decade did the Islamic Republic actually have one of its highest religious leaders, Khomeini, as its political leader, however. As is well known, the current Supreme Guide Ali Khamene'i was only promoted to Ayatollah on the eve of his ascension to the position of *velayat-e faqih*. He was not a highly ranked cleric during the 1980s and never became a *marj'a-e taqlid* within the Shia hierarchy. The

1989 revisions to the Constitution removed the requirement of *marj'a* for the position of Leader; the political convenience of the decision was barely kept secret. The statecraft from Tehran, where expediency of regime survival was enshrined in *fatwa* by Khomeini, has always generated discord in the seminary-laden Qom. For Montazeri, legitimacy resides in popular sovereignty, not in clerical fiat—nor, for that matter, in capitalist power: he had criticized Western democracies in which, in the absence of a spiritual leader, ‘the political system becomes a tool for class domination’ and ‘corporate owned media, large corporations and wealthy investors often control elections and their results’. Montazeri’s position could be described as a left-leaning religious paternalism. He advocated the election of a *marj'a* to the position of *velayat-e faqih* who would be a spiritual leader rather than an autocrat, his powers circumscribed by the Constitution and his term in office limited. Yet Montazeri’s adherence to the necessity of a *marj'a-e taqlid*, even within these limits, defines his *ijtihad* as essentially conservative.

The emergence of Kamrava’s second, ‘reformist-religious’ discourse was closely tied to political developments. Its pre-condition was the remarkable transformation of the Khomeinist radicals, starting in the late 1980s. The definitive history of how a bunch of revolutionary clerics, many of whom held leading positions in the early years of the Islamic Republic, became the soft-spoken vanguard of liberal reformism by the mid-1990s remains to be written. In outline, however, it would include the professionalization of the revolutionary cadres in the halls of power under Mir Housain Mousavi’s prime ministership, 1981–88; the brutal elimination of left competitors from the ruling coalition during that same period; the political defeat of the left Khomeinist faction in the early 1990s, under President Hashemi Rafsanjani; and the debate after the Iran–Iraq War over the proper direction and structure of Iranian society. One outcome, as Kamrava details, was the emergence of a layer of self-proclaimed ‘new religious intellectuals’ who sought to reform the clerical state by breaking its monopoly on the practice of *ijtihad*. Arguably, the 1997 election of Khatami as President of the Islamic Republic represented the coming together of the lineages of Montazeri and Mehdi Bazargan, the lay religious liberal who headed Iran’s first provisional government after 1979. Their radicalism now tempered, public intellectuals such as Soroush, Saeed Hajjarian, Abdollah Nouri, Hasan Yusofi Eshkevari and Khatami himself stressed the necessity of incremental progress through reform, Islamic identity and parliamentary democracy.

If Khatami symbolizes the politics of the religious-reformist discourse, Kamrava writes, ‘no other intellectual is more readily identified with it than Abdolkarim Soroush’. Born in Tehran in 1945, Soroush first received a theological education in Qom but later took a doctorate in Pharmacy at the University of Tehran and pursued post-graduate studies in London in the

1970s. He returned to Iran during the Revolution and was a member of the Council on Cultural Revolution; he has since said that his efforts there were pivotal in 'rescuing the social sciences and humanities from extremists'. A prolific writer, he has produced a stream of works on topics ranging from the nature of prophecy, ethics and prayer to the natural sciences, law, state administration and the poetry of Rumi. A core statement of religious reformism was summarized in his 1995 work, *The Expansion and Contraction of the Theory of Shari'a*:

Religious knowledge—meaning our knowledge of the Qur'an and the *sunna*—is human knowledge and, similar to other sciences, is in constant flux, evolution, contraction and expansion. Therefore, just as philosophy and the natural sciences are imperfect and continue to evolve, the sciences of jurisprudence, interpretation, ethics and disputation are also imperfect and also continue to evolve

Soroush has distinguished between a 'jurisprudential government', which seeks to impose religious norms on its population, and a 'religious government', which arises from the voluntary beliefs and democratic choices of its citizenry. The latter is possible because *ijtihad* relies on the faculties of human reason possessed by all individuals. For conservative clerics, even Montazeri, reason must be complemented by trust and emulation of the *ulama*. Conversely, the endpoint of the reformist-religious intellectuals' argument, one that strikes at the centre of the Islamic Republic in its current form, is the following: if reason is the foundation for religious guidance, and every person possesses the capacity for reason, then are the *ulama* even necessary?

More recently, Soroush has written of the need for 'an *ijtihad* of *ijtihad*', a reflexive criticism that could serve as the foundation for a religious open society. Mohammad Mojtahed Shabestari—born in 1936, educated in Qom and Hamburg; a central figure in the Theology Department at the University of Tehran from the mid-80s—makes this explicit: 'Understanding the Qur'an and the Islamic tradition is not the sole preserve of any particular group or class', adding that 'whoever possesses the scientific and methodological tools necessary for interpreting them can do so, and may not be criticized by others'. This, of course, is heretical in the eyes of the establishment. From a younger generation, Mohsen Kadivar was born in the southern city of Safa in 1959 and educated in Qom, where he received a degree in *ijtihad*; he has since taught Islamic philosophy and political science at the Tarbiat Modarres University in Tehran, interspersed with spells in prison, not least for his sociological critique of the institution of the Supreme Guide. Kadivar has claimed that the *velayat-e faqih* is 'a reflection and a product of Iran's dynastic

tradition and the legacy of the religious autocracy that has characterized the thinking of the country's Shia jurists'.

Kamrava concentrates on the reformist-religious intellectuals' efforts to utilize the concepts of pluralism, civil society and modernity through a 'new hermeneutics of jurisprudence', and certainly these became the buzzwords of the reform movement under Khatami's first term in the late 1990s. A strategic social alliance between the liberal political faction and the fast-expanding, educated white-collar workforce, itself a product of the Revolution, seemed the natural outcome: 'pressure from below, negotiation at the top', in the slogan of Saeed Hajjarian, a former Intelligence Ministry official who went on to become a prominent member of the reform movement. Yet, in an oddly Gramscian aside, Kamrava briefly mentions that they failed because 'political bargaining' took the place of 'establishing solid, organic ties to the middle class.' Ask any University of Tehran student how they define religious democracy today, and the answer will likely be: 'an oxymoron'. Hoping to bring about a genteelly pious version of capitalist liberal-democracy as the next stage of the Islamic Republic's evolution, the religious reformists failed to create a hegemonic project with the organizational force and cadres to take their vision forward. The result was a nearly Brezhnevian apathy among the middle class and the rise of Ahmadinejad's clique between the ossifying first-generation factions.

The tendency to give priority to philosophical questions over empirical ones is even more pronounced in Kamrava's third group, the secular-modernists, which includes the Habermasian philosopher Ramin Jahanbegloo (b. 1956), the sociologist Majid Mohammadi (b. 1960), the political scientist Sadeq Zibakalam (b. 1948), the economist Musa Ghaninezhad (b. 1951) and the writer, activist and investigative journalist Akbar Ganji (b. 1959), author of the 2002 'Republican Manifesto', written in prison, which calls for the separation of state and religion. From a variety of backgrounds and disciplines, Kamrava finds them in agreement on the central problematic of 'modernity'. In this discourse, as in Marshall Berman's formulation in *All That Is Solid Melts Into Air*—one of the thousands of philosophical texts translated into Persian over the last fifteen years—social change becomes permanent in the modern era, sweeping away traditional modes of existence and thought; while capitalism as a concept tends to disappear. Differences centre around the possibility of a specifically 'Iranian modernity', as opposed to the importation of the Western model, and on the 'obstacles' to modernity's successful implantation in Iran. Writers like Ganji, Zibakalam, and the Stanford-based Abbas Milani, all of whose books are quite popular inside the country, draw on such tropes to claim that Iran suffers from the 'stunted introduction of modernity', or is schizophrenically

torn 'between abandoning tradition and embracing modernity'. The reader is hard pressed to distinguish this sort of introspection from old-fashioned modernization theory, especially when Kamrava describes Tehran political scientist Mahmood Sarioolghalam (b. 1959) arguing that Third World 'cultural plagues' of superstition, irrationalism and lack of goal orientation are the obstacles to Iran's progress.

Jahanbegloo himself describes these fourth-wave 'discourse intellectuals' as 'thoroughly non-ideological', 'pluralist' and 'looking at issues at a much deeper level' than their predecessors—'literally all members of the Fourth Generation engage in some form of dialogue with the West.' This admirable stance is contrasted with the outlook of Shariati and Al-e Ahmad, who are often portrayed as trapped by their over-politicization of ideology, contributing to the excesses and distortions of the Revolution. Like Soroush, Jahanbegloo insists that the 'de-ideologization of society' is the right and natural path for Iran, weighed down by the ideological yoke for so long. Better to replace it with the Habermasian toolkit, which Kamrava himself faithfully applies in dubbing his three groupings 'discourses'. Nowhere in the discussion is there any suggestion that the 'non-ideological' aspirations of the fourth wave constitute an ideological position in itself, one commensurate with the post-Cold War 'end of history'. Kamrava identifies five 'pillars of modernity' in the secular-modernist consensus, or more aptly, five platitudes: 'secularism, rationality, civil society, development and globalization.' Indeed, reading the reformist press in Iran, one would think the West is run by NGOs and the difference principle. Ghaninezhad, the economist, is refreshingly blunter: the 'primary ingredient of civil society is a competitive market economy'. By this stage the reader may be feeling that Kamrava's approach to his subject matter begs for a bit of *ijtihad* itself, despite the fact that he states at the outset that his mission is simply the faithful reproduction of the authors' views. Rather surprisingly, a 2001 article from his pen in the *British Journal of Middle East Studies* strikes a more sceptical note: 'Reading through their writings, it is at times hard not to get a sense that many Iranian intellectuals consider civil society a universal panacea, a cure for everything that has been wrong with their country's political history, culture and society so far . . . In essence, the 'cure-all' political Islam of the 1970s appears to have been replaced by the civil society of the 1990s.'

Strikingly absent from Kamrava's trichotomous overview is the arc of left-wing Iranian thought—what Afshin Matin-Asgari called the odyssey from social democracy to social democracy, with passages through Marxism and political Islam. Yet, since Iran's fourth-wave thinkers 'define themselves as polar opposites to their intellectual fathers', the left retains a ghostly presence as the tradition which the writers on display here expend much effort reacting against: some by reformulation, but most by repudiation.

Furthermore, it is curious that a discussion of a 'revolution of ideas' should overlook contemporary intellectual work inside Iran on issues of feminism, labour, culture and society, or urbanization and its social problems. This portrait of the intelligentsia has nothing to say about contemporary Iranian literature, with its sizeable cohort of female authors, or about discussions of cinema and visual arts within the Islamic Republic. Instead, Kamrava focuses on a rather narrow stream of political-religious thought and its secular successor, which Western pundits, forever searching for a 'reformed' Islam, are likely to embrace.

Kamrava's study lacks a Bourdieu-style mapping of Iran's intellectual field—a sense of the *a priori* rules of the game. Sacrificing sociology at the altar of metaphysics makes it easier to fall for the arabesques of Iranian intellectuals, a common position for Western journalists. Yet if the conjuring of 'modernity' is a story that various political factions have used to posit themselves as the authentic inheritors of an ever-robust Iranian nationalism, then Kamrava's revolution needs to be rethought. The author concludes by predicting that the reformist-religious thinkers are still likely to emerge as the predominant trend, given the necessary reconciliation of 'religion and modernity'; but the only audience whose views he thinks worth considering is 'educated middle-class Iranians'—the phrase is repeated four times in the concluding paragraphs. As with Mehrjui's protagonist in *Hamoun*, intellectuals often assume that the goal of the bourgeoisie is self-fulfilment and authenticity, not economic self-protection and status distinction. On the views and needs of other sections of the Iranian population little is heard, either from Kamrava's thinkers or, more recently, from the Green Movement's quasi-leadership. The fervently nationalist protests in Iran after June 2009 were whittled down from their considerable original numbers not only by harsh state repression, but also by long-winded assurances that theirs was a movement without ideology, cadres or hierarchies. While labour unrest, due to shuttered factories and months of wage arrears, has made the pages of even the state newspapers for the past year, it was months before Mousavi uttered a substantial remark about economic conditions for workers, well after conservatives were calling for Ahmadinejad's head on the economy from the halls of the *majles*. After all, with communicative reason, who needs to organize?

More fundamentally, the ideas deeply held by much of Iran's intellectual and professional elite that an internal cultural or social impediment is 'blocking' the achievement of democracy and wealth, and that Iran is thereby 'trapped' between tradition and modernity, sound patently similar to Indian, Mexican, Nigerian or Chinese complaints about how their own unique 'backwardness' is blocking their destined rise. In other words, Iran is highly unexceptional in its strident intellectual and popular exceptionalism. In lieu

of analysis, we have semi-peripheral nationalist ideology. While nationalism works very well in politics, it may not hold much promise for the critique of those politics. Yet if we give the subject a world-historical frame, Iran's 'intellectual revolutions' are very similar to other 'revolutions' that happened in the Third World. Iran's late 19th-century thought, which culminated in the Constitutional Revolution, had parallels with intellectual currents in Mexico, Turkey, Russia and China—all large agrarian empires, formally independent from colonial rule, which experienced nationalist revolutions of their own. Iran's intellectual justifications for its modernization drives under Reza Shah in the 1930s were of a piece with the homogenizing nationalist rhetoric of post-colonial state-builders in Turkey, India, Brazil and Egypt. As Boroujerdi demonstrated in his study, the work of Shariati and Al-Ahmad during the 1960s was explicitly part of a Third Worldist ideology that had analogous forms in Latin America (liberation theology and Guevarism) and Black Africa and the Caribbean (Negritude and Pan-Africanism), not to mention Arab nationalism and its Islamic competitors.

The liberal reformation of Iran in the 1990s came alongside the turn of Second and Third World intellectual elites, whether in Russia, Mexico, South Africa or China, towards acceptance of capitalism and liberal democracy as two sides of the same coin, as earlier statist models were blamed for creating the economic and social predicaments faced by the South in the late 20th century. Every country began to be analysed, and to analyse itself, in terms of a highly ideological 'transitionology', aided and abetted by think-tank scales from one to ten of 'freedom', 'transparency' and so forth. Yet the outcome of the 'third wave' of democratization in the 1980s and 1990s, instead of institutionalizing popular participation in the South, resulted in either weak and hollow rule by new sets of shifting elites (Ukraine) or reinvigorated nationalist authoritarianism (Russia). Again, Iran was no exception: its semi-democratic institutions, which reached their apogee in the late 1990s, placed it directly in the middle of the large 'grey area' of states neither fully accountable nor completely authoritarian: one of those 'managed democracies' or 'elected oligarchies' that govern the majority of humanity. The country, once more, was in the forefront of history, not mired in oriental tradition. Iran's own path has many intriguing contours, but the trajectory is a common one. To borrow Perry Anderson's description of the thinkers of the *posthistoire* school in *Zone of Engagement*, the pathos of liberal intellectuals in Iran is 'the intelligible product of a political conjuncture, interpreted in the categories of a philosophical tradition'.



66 NOV/DEC 2010

NEW LEFT REVIEW

Richard Walker *The Golden State Adrift*

Tariq Ali *On Mao Zedong*

Hung Ho-fung *After the Crown Colony*


Michael Denning *Wageless Life*

Alberto Toscano *The Spectre of Analogy*

Asef Bayat *Battlefield Tehran*

Sven Lütticken *Every Man a Mad King*

Gopal Balakrishnan
The Coming Contradiction



EDITOR: Susan Watkins

EDITORIAL COMMITTEE: Tariq Ali, Perry Anderson, Gopal Balakrishnan, Emilie Bickerton, Robin Blackburn, Robert Brenner, Malcolm Bull, Mike Davis, Tom Mertes, Francis Mulhern, Julian Stallabrass, Jacob Stevens, Tony Wood, JoAnn Wypijewski

DEPUTY EDITOR: Tony Wood

PUBLISHING DIRECTOR: Khaya Bag

SUBSCRIPTIONS DIRECTOR: Johanna Zhang

ASSISTANT EDITOR: Kenta Tsuda

ONLINE PUBLISHER: Rob Lucas

INTERN: Jacob Collins

ADDRESS: New Left Review, 6 Meard Street, London W1F 0EG

TEL: +44 (0)20 7734 8830; fax: +44 (0)20 7439 3869

EMAIL: mail@newleftreview.org; editorial@newleftreview.org

WEBSITE: www.newleftreview.org

SUBSCRIPTIONS: tel: +44 (0)20 7434 1210; fax: +44 (0)20 7439 3869

EMAIL: subs@newleftreview.org

ANNUAL SUBSCRIPTION WITH ONLINE ARCHIVE ACCESS

INDIVIDUAL

£35/\$60/€52 (surface), £45/\$75/€67 (airmail)

STUDENT RATE

£25/\$40/€36 (proof required)

INSTITUTIONS

£220/\$400/€315 (surface), £230/\$420/€330 (airmail)

NON OECD INSTITUTIONS

£110/\$195/€145 (surface), £120/\$215/€160 (airmail)

SINGLE ISSUES

£35/\$60/€50 (institutions), £7/\$12/€10 (individuals)

PUBLISHED BY: New Left Review Ltd (ISSN 0028-6060) World Copyright © 2010, New Left Review. Published six times a year in January, March, May, July, September and November. UK DISTRIBUTOR: Central Books, London. US DISTRIBUTORS: Ingram Periodicals, La Vergne, TN Ubiquity, Brooklyn, NY. US POSTAGE: Periodicals postage paid at Rahway, NJ. US AGENT: Mercury International, 365 Blair Road, Avenel, NJ 07001. US POSTMASTER: Send address corrections to New Left Review, 365 Blair Road, Avenel, NJ 07001.

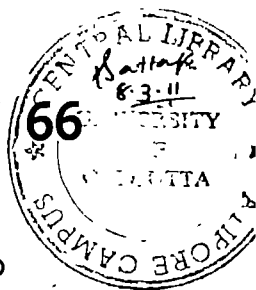
PRINTED BY: Bell & Bain, Glasgow

DESIGNED BY: Peter Campbell

NEW LEFT REVIEW 66

SECOND SERIES

NOVEMBER DECEMBER 2010



ARTICLES

RICHARD WALKER	California Adrift	5
GOPAL BALAKRISHNAN	The Coming Contradiction	31
HUNG HO-FUNG	Uncertainty in the Enclave	55
MICHAEL DENNING	Wageless Life	79
ASEF BAYAT	Battlefield Tehran	99
SVEN LÜTTICKEN	Playtimes	125

REVIEWS

TARIQ ALI	On Mao Zedong	141
ALBERTO TOSCANO	The Spectre of Analogy	152

PROGRAMME NOTES

RICHARD WALKER: California Adrift

Long at the forefront of US capitalism, the Golden State is now at the leading edge of its crisis. Richard Walker measures the dimensions of California's slide—housing bubble, fiscal woes, rising inequality—as well as the underlying demographic and economic shifts.

GOPAL BALAKRISHNAN: The Coming Contradiction

Reflections on Fredric Jameson's *Valences of the Dialectic* and its engagement with questions of historicity, narrative and time. Categories and concepts from Hegel, Marx, Sartre and Ricoeur, used to interrogate the impasses of the present—and to envision what lies beyond.

HUNG HO-FUNG: Uncertainty in the Enclave

Portrait of Hong Kong's contested political scene. With democratizing reforms blocked by an entrenched alliance of CCP and local magnates, an increasingly radical populace seeks to break the deadlock. Might the PRC's hyper-capitalist region be its weakest link?

MICHAEL DENNING: Wageless Life

Origins of the figures of unemployment and the informal sector, and their inadequacy to contemporary forms of wagelessness. Michael Denning draws lessons from Marx, Fanon and the streets of Ahmedabad.

ASEF BAYAT: Battlefield Tehran

Walled citadel of the Shahs, hub of petro-modernity, post-Islamist metropolis: Asef Bayat on the history of struggles to define Iran's capital, and the successive contests between elite projects and popular resistance that have shaped its spatial pattern.

SVEN LÜTTICKEN: Playtimes

Once deemed extinct, the play instinct now pervades the worlds of work and leisure. Can it be turned to radical ends? Sven Lütticken seeks clues in Schiller and Debord, Neuschwanstein and computer games.

BOOK REVIEWS

TARIQ ALI on Rebecca E. Karl, *Mao Zedong and China in the Twentieth-Century World*. Level-headed exploration of the Great Helmsman's life and legacies.

ALBERTO TOSCANO on Luciano Canfora, *L'uso politico dei paradigmi storici*. Dissection of the uses of historical analogy, from Thucydides to Furet.

CONTRIBUTORS

ASEF BAYAT: *teaches sociology and Middle East studies at the University of Illinois; author of Making Islam Democratic (2007) and Life as Politics (2010)*

MICHAEL DENNING: *directs the Initiative on Labor and Culture at Yale; author of Culture in the Age of Three Worlds (2004)*

HUNG HO-FUNG: *teaches sociology at Indiana University; Protest with Chinese Characteristics will appear in 2011; see also NLR 60*

SVEN LÜTTICKEN: *at the Vrije Universiteit, Amsterdam; author of Idols of the Market (2009); see, inter alia, NLR 54, 45, 44, 40, and 36*

ALBERTO TOSCANO: *teaches sociology at Goldsmiths, London; most recent book: Fanaticism (2010); see also NLR 50*

RICHARD WALKER: *at UC Berkeley; books include The Country in the City (2007) and The Conquest of Bread (2004); see also NLR 46 and 1/209*

THE GOLDEN STATE ADrift

A GAINST THE BACKDROP of sweeping Republican advance in the 2010 US mid-term elections—a surge of 64 seats to take the House of Representatives, six more senators and eleven new state governorships—California stands out.¹ The Golden State confirmed its position as the country's Democratic stronghold, delivering convincing wins for the party's candidates in the gubernatorial and Senate elections. Democrats retained a solid two-thirds majority—32 out of 53—of the state's delegation to the House of Representatives and held onto their heavy majorities in the State Senate (25–15) and Assembly (52–28).

That California bucked the anti-incumbent trend this November is all the more striking, given that the state has been battered by the Great Recession and boasts the third-highest unemployment rate in the country—at 12 per cent, only Nevada's and Michigan's are higher. Indeed, California played a leading role in triggering the US economy's slide after 2007—a bleak inversion of its longstanding historical role. From the gold rush of the 1840s to the hi-tech boom of the 1990s, it was a world centre for inventiveness and fantasy production. The crucible for much of the economic, political and technological character of the American Century, it has been the leading engine of the US economy for most of the last fifty years. Yet today it is sputtering badly. What explains this disturbing turn of events?

Since the apotheosis of the state's favourite son Ronald Reagan, California has been at the forefront of the neoliberal turn in global capitalism.² The story of its woes will sound familiar to observers across Europe, North America and Japan, suffering from the neoliberal era's trademark features: financial frenzy, degraded public services, stagnant wages and deepening class and race inequality. But given its previous vanguard status, the Golden State should not be seen as just one more case of a

general malaise. Its dire situation provides not only a sad commentary on the economic and political morass into which liberal democracies have sunk; it is a cautionary tale for what may lie ahead for the rest of the global North.

Mortgage meltdown

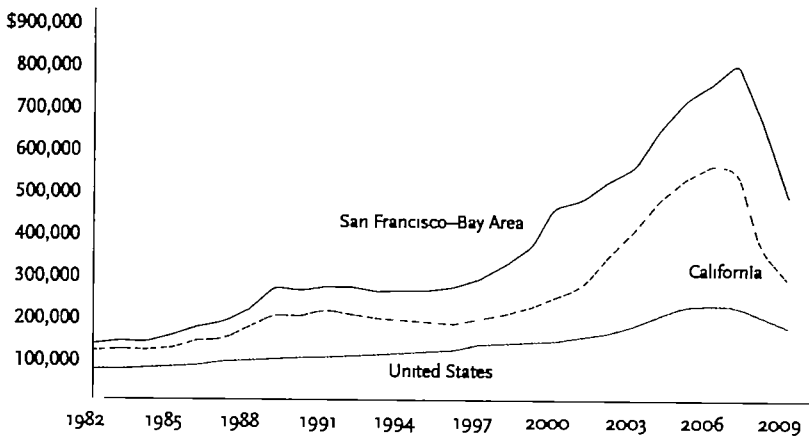
More than any other place except Wall Street, California was responsible for the bubble economy of the 2000s, and for the disaster that followed.¹ The financial bubble that burst in 2008, bringing about the collapse in investment banking in New York, had been centred on mortgage lending in the US housing market. While the alchemy that turned secondary mortgages into credit derivatives and investment vehicles took place on Wall Street, the lending itself was concentrated in what were called the 'sand states': Florida, California, Arizona and Nevada. The principal fount of mortgage origination was California, which served as the US's equivalent of Spain—the speculative frontier of a continent. Though around 15 per cent smaller than Spain in terms of area and 20 per cent smaller in terms of population, California's GDP is a third larger, which puts it among the world's top ten economies.

Between 2000 and 2008, the state's lenders issued 6 million original mortgages and 10 million refinance loans, worth \$3–4 trillion—about 20 per cent of all US mortgage lending. California was, moreover, responsible for a stunning 56 per cent of the \$1.38 trillion in subprimes issued nationally in 2005–07. The state was home to the top five sub-prime lenders: Countrywide Financial, Ameriquest Mortgage Bank, New Century Financial, First Franklin Bank and Long Beach Mortgage Bank. Hyperactive finance was not new to California: in the 1980s it featured Michael Milken's junk-bond mania and the Savings & Loan implosion, and in the 1990s it was the heartland of the largest stock bubble in history, as investment in the marvels of Silicon Valley pushed the NASDAQ to uncharted heights.

¹ Thanks to Juan Delara, Matt Williams, Ken Jacobs, Alex Schafran, Anthony Panarasse, Wendy Brown, Joe Matthews and Fred Glass for their input; special thanks to Ashok Bardhan.

² On the Reagan revolution here, see my 'California Rages against the Dying of the Light', NLR 1/209, Jan–Feb 1995.

³ This section and the next are based on Ashok Bardhan and Richard Walker, 'California, the Pivot of the Great Recession', Working Paper #220-10, Institute for Research on Labor and Employment, University of California, Berkeley.

FIGURE 1. *Median Home Prices*

Source: California Association of Realtors; National Association of Realtors.

The booming mortgage business of the new century nonetheless produced a significant expansion of the financial sector. Between 1996 and 2006, the number of jobs in finance, insurance and real estate (FIRE) rose by 27 per cent to almost one million. No state had more real-estate agents, brokers and mortgage sellers—60,000 by 2008. They and their backers in the banks were happy to funnel the billions of investment dollars showered on them by Wall Street to unsuspecting homebuyers. Californians by the hundreds of thousands were cajoled into subprime mortgages with no down-payment, teaser rates, adjustable rates and paltry documentation.

Fuelled by mortgage mania, the housing bubble blew up more dramatically in California than anywhere else in the US. Home prices had already eclipsed those in the rest of the country in the 1970s; they powered further ahead during the booms of the 1980s and 1990s, before surging in the 2000s. At the peak of the bubble in 2006, the median house price hit \$594,000—more than two and a half times the national average of \$221,000 (see Figure 1). The San Francisco Bay Area boasted the highest prices of any metropolitan region in the country, at nearly quadruple the national average. In no other state except Hawaii is housing so unaffordable. With the average house selling, in 2006, at over ten times the median income of \$57,000—a ratio comparable to those in

London or Tokyo—this was fertile ground for the peddlers of subprime loans, as young people stretched their incomes to buy overpriced houses and older people refinanced their homes to help out their children, all on the premise that house prices would never stop rising.

Easy money and stratospheric prices induced a huge wave of housing construction. In 2006, new home sales peaked at a rate of over 200,000 per year, roughly 16 per cent of the national total, in a state comprising 12 per cent of the US population. Construction and real estate were California's biggest job generators of the decade. High prices meant robust profits for builders, including firms based in the state such as KB, Shappell and Shea, as well as national giants Lennar, Centex and Horton. The vast majority of new development took place on the exurban fringes of the big cities, although there was also considerable infill and high-rise construction; indeed, California now has the highest urban densities in the country, in greater Los Angeles and the Bay Area.

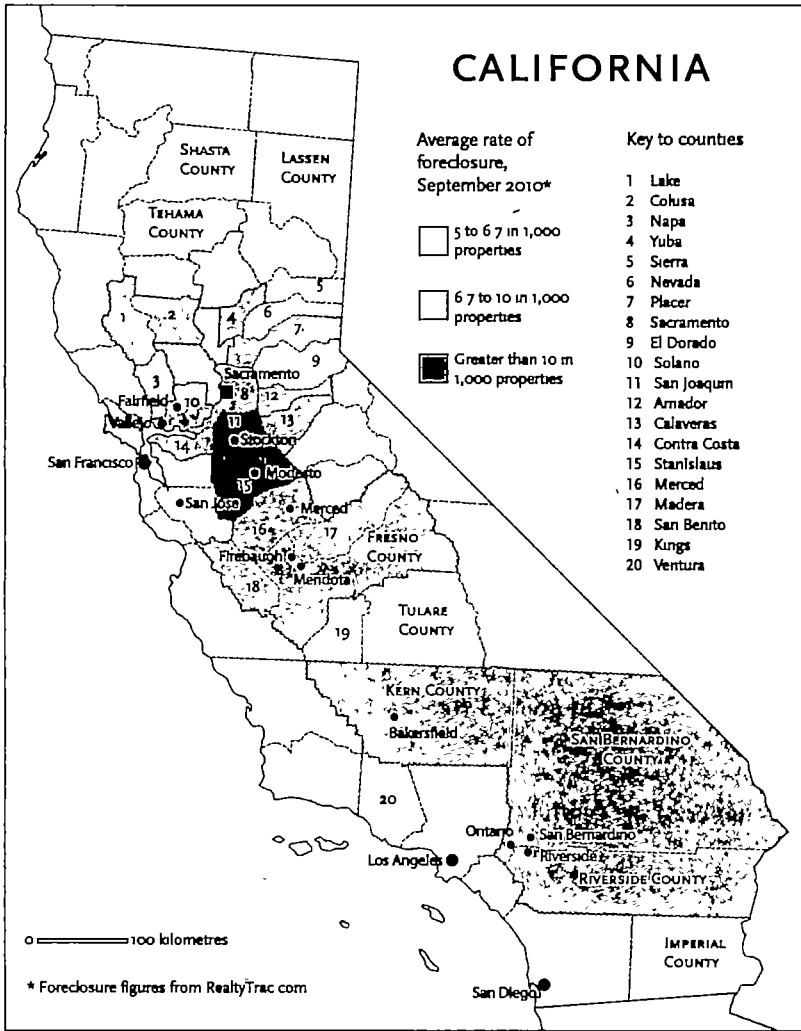
Housing crash

When the housing bubble burst, California ended up with more bad loans and foreclosures than anywhere else, and its mortgage banks were among the most prominent failures in the financial meltdown. In 2007, New Century declared bankruptcy and a failing Ameriquest was sold to Citicorp; in early 2008, IndyMac Bank was seized by the Federal Deposit Insurance Corporation and First Franklin was shuttered by Merrill Lynch, which had bought it two years earlier; in mid-2008, Washington Mutual closed Long Beach Mortgage, which it had acquired a decade before, and a failing Countrywide was swallowed by Bank of America (much to Bank of America's later regret). Bigger things were yet to come. Washington Mutual, based in Seattle, had ballooned to become the nation's sixth-largest bank and, on the strength of its many acquisitions in Southern California, the third-largest operating in the Golden State. Its collapse in late 2008 was the largest bank failure in American history to date—only to be exceeded by Lehman Brothers a month later. Meanwhile Golden West Savings of Oakland, the biggest originator of adjustable rate mortgages in the country, had been acquired by Wachovia Bank in 2006, helping the latter rise to fourth place among US banks. By late 2008, the fallout from Golden West's faulty loans overwhelmed Wachovia, which was gobbled up by Wells Fargo of San Francisco.

Behind the financial turmoil came a surge in foreclosures, as California's housing market collapsed and hundreds of thousands of homeowners could no longer meet their mortgage payments. By the end of 2009, there had been nearly 500,000 foreclosures in the state—one fifth of the nationwide total of 2.5 million; by mid-2010, around 360,000 homes were still in foreclosure. The overextension of households was most dramatic in the inland cities of Southern California, such as Riverside, Ontario and San Bernardino, and those of Northern California's Central Valley, including Stockton, Merced and Bakersfield. Here, monthly foreclosure rates above 50 per 1,000 households became common, and were amongst the worst in the country (see map overleaf).

At the same time, the median house price in California fell by 35–40 per cent from the height of the bubble, as banks dealt off repossessed homes in panic sales. This meant that by the summer of 2010, there were 2.3 million 'underwater' mortgages (where houses are worth less than the value of the outstanding loan), affecting up to a third of California mortgage-holders, versus 23 per cent nationally. The total loss of equity was at minimum \$2 trillion out of \$6 trillion, a severe blow to middle-class finances and aspirations. In interior counties such as Merced and San Joaquin, median prices fell by an astounding 60 per cent, between 2006 and 2010. Home values have held up much better on the coast, with the important exception of older working-class and minority neighbourhoods in the central cities.

The housing implosion has had other, visible results: residential tracts are riddled with vacant houses, and those who have lost their homes have been scattered to the winds. Community organizers have taken up the cause of housing displacement. The two most important groups are the church-based PICO National Network, which has two dozen local affiliates in California, and ACCE (Association of Californians for Community Empowerment, formerly the California branch of ACORN), with a dozen offices around the state. The Community Reinvestment Coalition in San Francisco, which brings together 250 non-profits and public agencies, has been dealing with banks' malfeasance in poor neighbourhoods for thirty years. Inner-city tenants'-rights activists, such as LA's Strategic Action for a Just Economy (SAJE) and the Bay Area's Just Cause/Causa Justa (both founding members of a nationwide coalition, The Right to the City), have also been fighting evictions due to foreclosures.



The principal target of anger is, not surprisingly, the banks. As of 2008, state law now requires tenants of foreclosed properties to be given notice, and allows city authorities to fine banks for failure to maintain vacant properties; but activists will have to keep pressing local officials to enforce blight penalty laws. Most localities have no idea how many foreclosed homes they contain nor who owns them, so ACCE has conducted door-to-door surveys. Getting banks to restructure loans so that people can stay in their homes has proven difficult, despite federal and state legislation.

Grass-roots organizers have sought to apply pressure in other forms: in April 2010, a coalition of community groups, faith organizations and unions held a protest at a shareholders' meeting of Wells Fargo Bank in San Francisco. Despite such actions at the local level, no unified state-wide movement against banks and foreclosures has emerged.⁴

Desolation valley

The long housing boom remade the state's class and race geography. The upper classes, mostly white, have rushed to the coast. Silicon Valley and Westside LA are virtually unaffordable for anyone without a six-figure income—meaning almost all clerical, service and retail workers, not to mention the state's industrial workforce. San Francisco, in particular, has become dramatically richer, older and whiter. Meanwhile the working class, especially young families of colour, have moved to the fringes of the major conurbations in a bid to find both jobs and affordable housing. Greater Los Angeles, nearly twenty-million-strong, continues to spread across the Inland Empire of Riverside and San Bernardino counties, which doubled in population between 1990 and 2010. The Bay Area has developed its own inland empire in the Central Valley, where it collides with Greater Sacramento and Stockton to form a Northern California megapolis of over ten million.

Even prior to the latest downturn, California was among the top 5–10 states in income inequality and growth of inequality, depending on the measure used. The Golden State leads the country in its proliferation of millionaires and billionaires: it is home to 81 of the Forbes 400 wealthiest Americans, compared to 76 for New York and 25 for Florida. Meanwhile, employers have steadily held down the wages of ordinary workers, using the levers of unemployment, flexible hiring and immigration; real wages have barely budged for manual labour over the last forty years, and those at the bottom have lost ground. The working class of California bears a clear racial stamp, moreover, being made up overwhelmingly of immigrants and their children.⁵

⁴ Local activists generally keep their distance from unions and the Democrats, whose involvement would be necessary to gain traction at the state level, though SEIU has worked with ACCE on a banks campaign.

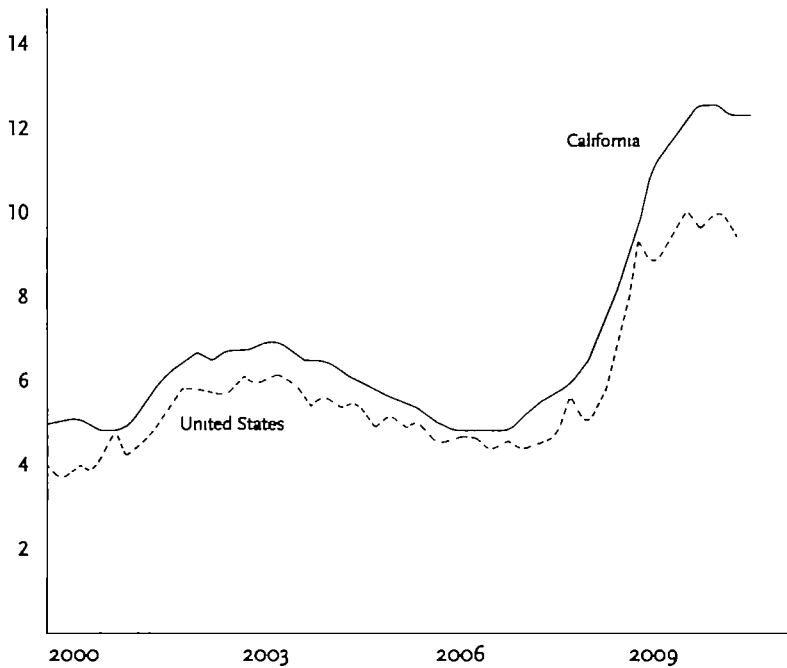
⁵ Jared Bernstein, Elizabeth McNichol and Andrew Nicolas, *Pulling Apart: A State-by-State Analysis of Income Trends*, Washington, DC 2008; Ruth Milkman, *LA Story*, New York 2006; see also reports by the Public Policy Institute of California, www.ppic.org, and California Budget Project, www.cbpp.org.

When the Great Recession hit, California's workers took the hardest blow. By the end of 2009, 2.3 million people or 12.4 per cent of the workforce were unemployed—3 per cent above the national average. Under-employment, counting part-time and discouraged workers, reached a staggering 24 per cent. The job losses during this recession have proved more severe than in previous downturns: where the 2001 dot-com bust resulted in a 2 per cent drop, and the early 1990s crash in one of 4 per cent, the current recession has brought job losses of up to 9 per cent.⁶ Despite a pallid recovery in profits and commerce, there has been little new hiring, and the outlook for the labour market remains gloomy for the foreseeable future.

Workers in inland areas have fared particularly badly. They have suffered job losses at double the rate of the coast, with unemployment hitting 30 per cent and more in Central Valley agricultural towns such as Firebaugh and Mendota. There have been massive redundancies in warehousing, transport and agriculture, but the housing collapse did the most damage: as home-building fell by three-quarters, half a million jobs were lost in construction, real estate, mortgage finance and building supplies.

But gross inequality, financial frenzy and unaffordable housing are not just excesses atop an otherwise thriving California economy. The signs of decay are everywhere. Skilled work has long been the basis of the state's innovative industry—postwar aerospace and film production in Los Angeles, electronics in Silicon Valley—and thanks to its high-tech and creative sectors California largely escaped the deindustrialization that afflicted the Rustbelt of the Northeast by the 1980s. Indeed, California has been the largest manufacturing state in the Union for decades, and still employs over a million production workers. But goods output has declined since 1990, and half of all manufacturing jobs have disappeared, driving the sector's share of employment below 8 per cent. In Southern California, the strongest growth has come in international trade through the ports of LA and Long Beach, which together form the largest shipping centre in North America and feed an enormous warehousing, transport and logistics corridor that runs right out through the Inland Empire. The region has thus prospered in part from the imports that have undermined US manufacturing.

⁶ Sylvia Allegretto, 'The Severe Crisis of Jobs in the United States and California', Center on Wage and Employment Dynamics, Berkeley, August 2010.

FIGURE 2. *Unemployment rate (%)*

Source: Current Population Survey, Bureau of Labor Statistics.

Meanwhile, low-skilled occupations—usually poorly paid, part-time and insecure—have risen sharply. The greatest employment gains have occurred in education, health care and social-assistance services, and in hotel and food services. Southern California, in particular, has thrived on a bulging, low-wage immigrant labour force, as has the Central Valley, long the heart of California agribusiness (still by far the largest food production area in the United States). This has helped to drag down incomes among blue-collar workers. Indeed, between 1980 and 2000, California's average income grew at only half the rate of the rest of the country. Silicon Valley's electronics industry, meanwhile, has been the country's leader in sending work off-shore, as mid-level white-collar and blue-collar jobs in electronics have been shipped out to India, China and elsewhere.

Investors continued to pour surplus capital into the Golden State in the 2000s, as they had in the previous two boom decades. But the flood of mortgage money did little to stimulate the underlying industrial

foundation, beyond pumping up house construction during the bubble. Job creation, which outran the rest of the country for decades, levelled out after 2000, and there is little sign that any eventual recovery will fundamentally alter this pattern. This leaves a troubling question: if California is in such bad shape, what does this bode for the US as a whole?

Fiscal follies

California's government is in profound disarray. The proximate cause is the worst fiscal crisis in the United States, echoing at a distance that of New York in the 1970s. Behind the budgetary mess is a political deadlock in which the majority no longer rules, the legislature no longer legislates, and offices are up for sale. At a deeper level, the breakdown stems from the long domination of politics by the moneyed elite and an ageing white minority unwilling to provide for the needs of a dramatically reconstituted populace.

The Golden State is now in permanent fiscal crisis. It has the largest budget in the country after the federal government—about \$100 billion per year at its 2006 peak—and the largest budget deficit of any state: \$35 billion in 2009–10 and \$20 billion for 2010–11. The state's shortfall accounts for one-fifth of the total \$100 billion deficit of all fifty states.⁷ These fiscal woes are not new. They stem in large measure from the woefully inadequate and inequitable tax system, in which property is minimally taxed—at 1 per cent of cash value—and corporations bear a light burden: at most 10 per cent. Until the late 1970s, California had one of the most progressive tax systems in the country, but since then there has been a steady rollback of taxation. In the 1970s, it was one of the top four states in taxation and spending relative to income, whereas it is now in the middle of the pack.

The lynchpin of the anti-tax offensive is Proposition 13, passed by state-wide referendum in 1978, which capped local property taxes and required a two-thirds majority in the state legislature for *all* subsequent tax increases—a daunting barrier if there is organized opposition. Proposition 13 was the brainchild of Howard Jarvis, a lobbyist for the Los Angeles Apartment Owners' Association. Support for it came not so much from voters in revolt against Big Government as from discontent

⁷ Average 2008–12 fiscal years, National Association of State Budget Officers report, June 2010.

with rising housing costs and property-tax assessments. But it was to prove a bridgehead for American neoliberalism, which triumphed two years later with Reagan's ascent to the presidency.⁸

Proposition 13 had an immediate impact, as local governments lost half their income. Sacramento had to pick up the burden, while county and municipal authorities suffered a dramatic loss of autonomy. To make matters worse, the Reagan administration cut federal aid. In the long run, the tax cuts made the growth of revenues sluggish relative to needs—and even more so relative to the surge in the wealth of the super-rich that began in the 1980s. With the economic upturn of that decade, prosperity returned, but the state's Republican governor at the time, George Deukmejian, used the inflow of funds to launch the greatest prison-building programme in US history, so that jails now consume almost as much of the state budget as higher education. When the great Southern California boom of the 1980s collapsed, the state government was hit by a \$14 billion revenue shortfall on a budget of \$50 billion for 1991–92.⁹

Spending rose again during the boom of the late 1990s, as the Democrat-dominated legislature raised income- and capital-gains tax rates to harvest a small portion of the wealth flowing out of Silicon Valley.¹⁰ Democrat Governor Gray Davis moved to cut sales taxes and provide other forms of tax relief worth a total \$5.1 billion over his term in office. At the turn of the century, the state was registering surpluses; but the bursting of the New Economy bubble in 2000 left it with a \$24 billion shortfall on a budget of \$100 billion for 2002–03. By this time opposition to tax increases had hardened—notably among Republicans following the lead of Newt Gingrich's second wave neo-conservatism. Yet California's constitution, like those of all other US states bar Vermont, requires the governor and legislators to pass balanced budgets. Davis's solution was to slash spending and borrow, with \$21 billion of cuts and the loss of 2,000 state jobs announced in 2003.

⁸ Lenny Goldberg, 'Proposition 13: Tarnish on the Golden Dream', in R. Jeffrey Lustig, ed., *Remaking California: Reclaiming the Public Good*, Berkeley 2010, pp. 42–59.

⁹ Mike Davis, 'Who Killed Los Angeles?', *NLR* 1/197, Jan–Feb 1993 and 1/199, May–June 1993; Ruth Gilmore, *The Golden Gulag*, Berkeley 2007.

¹⁰ The rich complain that California has high income-tax rates, but its feeble property taxes and high sales taxes make the overall system barely progressive. Goldberg, 'Proposition 13'.

During the economic maelstrom of 2001–03, Davis's popularity plummeted—having already been severely dented by his handling of the electricity crisis of 2000–01, in which deregulation of energy markets resulted in state-wide brownouts while Enron creamed off record profits. Re-elected in 2002, Davis was recalled by referendum in 2003 and ejected from office in favour of Arnold Schwarzenegger, the latest Hollywood hero to catapult onto the public stage. A liberal Republican, solidly pro-business but free of right-wing moralism, and married to a Kennedy, 'The Governor' was going to right the ship of state. But fame and bravado were not enough, so six years later he exits with the lowest poll numbers in memory, below twenty per cent. He has been a solid representative of business conservatism, opposing any meaningful fiscal reform or tax increases and laying the blame for the widening deficit at the feet of the legislature and unions.

The Great Recession opened the gap still wider. To close it, the state helped itself to billions in local government revenues, while the collapse of property values further undermined local authorities' finances. The city of Vallejo has declared bankruptcy, Maywood had to lay off all its workers, and others teeter on the brink. State authorities have implemented their own austerity programme: in 2009, they slashed spending by 20 per cent, cutting schools by \$6 billion, universities by \$3 billion and medical care by \$4 billion.¹¹

The fiscal crisis overlays a profound failure of politics and government in California. The origins of the stalemate lie in the decline of the legislative branch, which has popularity ratings even lower than Schwarzenegger's. Led by Assembly Speaker Jesse Unruh in the 1960s, California's legislature was admired across the country for its professionalism. But by the 1980s, under Speaker Willie Brown, it had become largely a patronage system for the Democratic Party, which has controlled the state legislature continuously since 1959. Republicans went after Brown and the majority party by means of a ballot proposition imposing term limits on elected officials in 1990. Term limits neutered the legislature, taking

¹¹ To counter Schwarzenegger's cuts, the California Labor Federation persuaded Assembly Speaker John Perez to draw up a 'Jobs Budget', arguing that cutbacks are not only bad for those needing services but contribute to California's continuing jobs deficit. Contrary to popular opinion, the number of state employees is among the lowest in the country on a per capita basis, and state employees are paid slightly less than comparable private-sector workers. See Larry Gerston, 'Are State Workers Overpaid?', *Prop Zero* blog on NBC Los Angeles site, 17 November 2010.

away its collective knowledge, professional experience and most forceful voices, along with much of the staff vital to well-considered legislation. Sold as a way of limiting the influence of 'special interests', term limits have reinforced the grip of industry lobbyists over legislators.¹²

The legislature has been further disabled by what became a yearly ritual of deadlock over the budget, because of the two-thirds majority vote required for approval (a rule introduced by proposition in 1934). Despite the Democrats' unbroken string of legislative majorities, the Republican minority has refused to give ground on tax increases since the 1990s, and in 2009 even demanded \$2.5 billion in business tax cuts before passing the budget. This November the public-sector unions—led by the California Federation of Teachers (CFT), California Teachers Association (CTA), California Nurses Association (CNA) and the Service Employees International Union (SEIU), and backed by the California State Federation of Labor—put forward Proposition 25 to allow a simple majority of the legislature to pass the budget. Its approval by a margin of 55 per cent to 45 was one of the most significant outcomes of the recent election. Unfortunately, the two-thirds rule still obtains for tax increases and Proposition 26, approved this year, actually makes things worse by extending the supermajority rule to a range of state and local fees. The latter proposition, financed by the state Chamber of Commerce and Chevron, shows once again the malign effects of government by proposition: voters are assaulted in every election by waves of measures that are bought and sold by big business.¹³

Efforts to jettison Proposition 13, such as that by the public-sector unions in 2004, have been stillborn because the Democratic Party leadership refuses to touch the 'third rail' of California politics.¹⁴ Most left-liberal

¹² Christopher Witko, 'The California Legislature and the Decline of Majority Rule', in Lustig, *Remaking California*, pp. 60–77.

¹³ Other successful ballot propositions include one on redrawing Congressional district lines and one put forward by local governments to block the state from taking their funds. Proposals to legalize marijuana and to overturn last year's tax cuts were among those to fail. For details on California's ballot measures, see www.ballotpedia.org. On the hazards of government by proposition, see Peter Schrag, *Paradise Lost: California's Experience, America's Future*, New York 1998.

¹⁴ The 2004 initiative to repeal the two-thirds majority rule on taxes was defeated by 66 to 34 per cent. Some of the unions behind 2010's Proposition 25 have made educating the public on tax policy a priority. But moves to alter the system—for example, by reassessing commercial property, a major tax loophole—have yet to get off the ground.

commentators attribute this impasse to an anti-tax electorate and organized opposition from the right, but this does not square with the evidence. Electorally, the Democrats have easily dominated the state for the last four decades: both houses of the legislature, one or both US Senate seats, the majority of the House delegation, and the mayoralties of Los Angeles, San Jose, Oakland and San Francisco; and, from Clinton onwards, every Democrat presidential candidate has carried the state by at least 10 per cent.

Rather than electoral vulnerability, it is the Democrats' fundamental identification with the agenda of Silicon Valley, Hollywood and financiers—and dependence on money from these sources—that explains their unwillingness to touch the existing system. Among the state's leading Democrats, few were more closely identified with promoting the interests of California business in Washington than former House Speaker Nancy Pelosi, resident of San Francisco's plush Pacific Heights area and multi-millionaire, thanks to a huge portfolio of real-estate and hi-tech investments. Senator Dianne Feinstein, also from the Bay Area and married to billionaire private-equity fund manager Richard Blum, was once dubbed 'The Best Senator Money Can Buy', and her financial disclosure statement to Congress was once described as 'the size of a phone book'. They are among several recent millionaire Congressional Democrats—Tom Lantos, Ellen Tauscher, Pete Stark—who made fortunes in finance, real estate and electronics.¹⁵

The Senate contest in 2010 pitted another millionaire incumbent, Barbara Boxer, against the vast fortune of Carly Fiorina, former chief executive of Hewlett Packard. As elsewhere, the campaign focused mainly on economic issues, Fiorina pushing for tax cuts and fiscal austerity while Boxer defended the Obama stimulus, as well as her own record in attracting Washington funding for California's budding 'green economy'. Backed by big law firms, Hollywood and retirees, Boxer outspent Fiorina by \$22m to \$17m, and eased home with 52 per cent of the vote to Fiorina's 43. Exit polls gave Boxer 80 per cent of votes among blacks, 65 per cent among Latinos, and 68 per cent among residents of large cities—a pattern that was replicated in other contests this year.

¹⁵ Larry Benske, 'The Best Senator Money Can Buy', *East Bay Express*, 18 November 1994; Zachary Coile, 'Bay Lawmakers among Wealthiest', *San Francisco Chronicle*, 26 June 2004.

Road to Sacramento

In a further reassertion of Democratic control, Jerry Brown convincingly won the race for governor this year by a margin of 54 to 41 per cent. On the Republican side was billionaire Meg Whitman, former CEO of eBay, who spent \$160 million of her personal fortune to saturate the airwaves with her image and message—roughly three times the amount dispensed by both candidates in the last race—making this the most expensive gubernatorial contest in US history. Her platform consisted of the usual neoliberal nostrums of tax cuts to attract business, efficiency in government and curbs on regulation, seasoned with attacks on public-sector unions.¹⁶

Whitman had little political background—she admitted to rarely even voting—and not much formal connection to the Republican Party, though she co-chaired McCain's 2008 campaign. The GOP right found her too liberal on gays, climate change and immigration. The latter issue contributed centrally to her defeat in November: after adopting a hardline stance towards the employment of undocumented immigrants, she was found to have illegally employed a Mexican housekeeper for nine years; in the ensuing scandal, Whitman repudiated the woman in question, saying she should be deported. While this alienated many Latinos—exit polls suggest she won only 32 per cent of their votes—her connections with Goldman Sachs—a board member from 2001–02, she retained multi-million-dollar holdings in various investment funds—likely put off lower-income voters of all kinds: only 34 per cent of those earning under \$30,000 a year backed her.

The victor, septuagenarian Democrat Jerry Brown, was governor of the state from 1975–83 and mayor of Oakland from 1999–2007; his most recent post was that of state Attorney General. Once a knight-errant of the liberal-left, it was his blunders in dealing with a budget surplus that paved the way for Proposition 13, and his harping on the theme of an 'era of limits' made him a rhetorical precursor to neoliberalism. In Oakland, his main contribution was to revivify the downtown area through massive condo development in the midst of the housing boom; he was also instrumental in pushing through charter schools. Brown's

¹⁶ Michael Reich, 'Can Californians Trust What Meg Whitman is Selling?', Center for American Progress Action Fund, August 2010.

low-key campaign kept its promises vague, but adhered to a broadly neoliberal agenda: pledging to cut public spending, trim the pensions of public employees, and put pressure on the unions to 'compromise'. He has a fine nose for the political winds, but lacks any strong connection to a popular base.

Brown won by a comfortable distance, performing particularly well among blacks, Latinos and residents of large cities: exit polls gave him 77, 63 and 66 per cent of the vote in these categories respectively. Among those earning under \$30,000, he scored 58 per cent and among those earning \$30–50,000, 63 per cent. Much of the credit for his victory must go to the public-sector unions, which formed the backbone of his campaign. The nurses union, the most disciplined and motivated, attacked Whitman directly, mocking her ads, launching a stockholders' suit against eBay, and picketing her home in the millionaires' enclave of Atherton, south of San Francisco. Other unions, under the umbrella of the California Labor Federation, preferred to work through phone banks or by going door-to-door. But it is not only the Democrats' continued hold on organized labour that has helped to keep California blue for the foreseeable future; the demographic situation has also been working in their favour.

End of the White Republic?

Beneath the rough seas of contemporary Californian politics run deeper currents of shifting demography. A fundamental cause of the political and governmental impasse in the state is a longstanding 'crisis of representation'.⁷ To paraphrase Gramsci, the old White Republic is dying and the new Latino borderland has yet to be born. People of European origin are now a minority in California—42 per cent—and people of colour the majority: Latinos make up one-third, Asians one-eighth and African-Americans one-twelfth of the state's population of 37 million. Some 10 million people born abroad now live in the state, over a quarter of the populace—and a quarter of all US immigrants. Immigration has slowed and shifted to elsewhere in the country as Californian labour demand has ebbed and militarization of the border increased under Operation Gatekeeper. Nevertheless, the children of immigrants are still swelling the numbers of non-white residents, workers and students.

⁷ Lustig, 'Voting, Elections and the Failure of Representation in California', in *Remaking California*, pp. 99–120.

Yet whites have continued to dominate electoral politics, still making up two-thirds of the state's regular voters. The majority of colour is vastly under-represented, because so many are non-citizens (60 per cent), underage (45 per cent) or not registered to vote. Turnout rates among California's eligible Latinos are an abysmal 30 per cent, and the number of Latino representatives in city councils, the legislature and Congress remains far below what would be proportionate; Antonio Villaraigosa is the first Latino Mayor of Los Angeles since the 19th century.¹⁸ The fading white plurality continues to exert a disproportionate influence on the state. Markedly older, richer and more propertied, the white electorate has correspondingly conservative views: for many, immigrants are the problem, the Spanish language a threat, and law and order a rallying cry. Even the centrist white voter tends to view taxes as a burden, schools of little interest, and the collective future as someone else's problem.

By contrast, though Latinos and Asians are often conservative on issues such as abortion and same-sex marriage, they are solidly aligned behind better public schools and social services. The state's rising numbers of newly registered voters are overwhelmingly young, first- or second-generation immigrants, and Democrat.¹⁹ If the last election is any indication, California may have experienced a tectonic shift: the support of people of colour was a major reason for the Democrats' continued success there in the face of a national sweep by the Republicans. That these voters did not support legalization of marijuana is not surprising, but signs are that their views on the highly charged question of gay marriage are shifting, in the context of the ongoing battle to reverse the ban passed in 2008 as Proposition 8.

Immigrant rights have been a highly charged issue for thirty years, bringing important shifts in the political landscape. The focal points have generally been ballot propositions of a nativist bent, which have summoned counter-mobilizations from communities of colour. A 1986 proposition made English the official language of California, while in 1994 Proposition 187, backed by Republican Governor Pete Wilson, tried to bar illegal immigrants from access to schools and social services; though nullified by the courts, it pushed millions of the state's new citizens to register and vote, mostly as Democrats. In 1996, Proposition

¹⁸ Figures from Public Policy Institute of California, www.ppic.org.

¹⁹ Jane Junn, 'Why California Will Stay Blue', *San Francisco Chronicle*, 8 November 2010.

209 ended California's affirmative-action programmes. More recently the focus has been on Arizona's new anti-immigrant law; protests have swept through California's Latino communities.²⁰

Along with the new demography has come a new political geography. The old split was North–South, with a century of Bay Area domination of state government followed in the 1980s by the counter-revolution of a New Right bursting out of populous Southern California. Now, the geographic split runs East–West, between the coast and the interior valleys. Broadly speaking, the coast is rich, urbane, polyglot and liberal; the interior is poor, workaday, Christian, rural (or only recently suburbanized) and conservative. While the population of the interior is increasingly working-class and Latino, politics there is still dominated by a local white elite, drawn either from the ranks of the old agrarian order or from among a newer real-estate cohort, and backed by a white electorate as reactionary as in any red state.²¹

In Southern California there have been tentative moves by unions to organize warehouse operations or the building trades in the Inland Empire. In the north, the CRT has pulled together the Alliance for a Better California, uniting Central Valley community organizers, faith-based groups and African-American and Latino activists, while the state Labor Federation has consolidated local labour councils in the Central Valley to further its voter-registration drives. Community organizers from PICO and the ACCE are well established in the inland towns, seeking to mobilize on issues of fiscal reform, schools, health care and immigration. Nonetheless, the level of activism remains well below that in the coastal cities.

Cheating the children

The current economic and fiscal crises are just the latest symptoms of the slow decline of California's postwar commonwealth. Here, as much as anywhere in the US, the golden age of American capitalism was built on a solid foundation of public investment and competent administration.

²⁰ Arizona recapitulates California in the 1990s: it has today's worst budget deficit in proportional terms, thanks to its massive housing crash, and the most clandestine crossings now that California's border has been walled up.

²¹ See Lisa McGirr, *Suburban Warriors: The Origins of the New American Right*, Princeton 2001 and Frédéric Douzet et al., eds, *The New Political Geography of California*, Berkeley 2008.

Here, too, the steady advance of neoliberalism has undermined the public sector, and threatens to poison the wellsprings of entrepreneurial capitalism as well. This is especially apparent in the realm of education, from primary to university levels. The state's once-great public-school system has been brought to its knees. Primary and secondary education (K–12: from kindergarten to twelfth grade) has fallen from the top of national rankings to the bottom by a range of measures, from test scores to dropout rates; the latter is currently at 25 per cent. There are many reasons for the slide, but the heart of the matter is penury—both of pupils and of the schools themselves, as economic inequalities and budget cuts bear down on California's children.

Childhood poverty in California is at unprecedented levels—over 20 per cent. The state contains one-sixth of all children in poverty in the US, compared to one-tenth thirty years ago. Poor children perform worse in school than their better-off peers. Little wonder, then, that standardized test scores around the state correlate closely with the class (and hence race) of their surrounding communities.²² At the same time, since 1970 school spending per pupil has fallen dramatically, and California has moved from being among the top five states to the bottom five, in the same league as Mississippi. Before Proposition 13, school districts got three-quarters of their income from local property taxes; now this is down to one-third, and Sacramento has to pick up the rest. In every recession, cutbacks have been imposed anew, and school programmes sliced to the bone; music, art and other options are the first things to go. Thousands of teachers have been laid off, and class sizes have grown to unmanageable numbers.

In 1988, an attempt was made to staunch the bleeding of education funds through Proposition 98, which mandated that forty per cent of the annual state budget go to K–12 education. Nevertheless, the Proposition cannot guarantee absolute levels of funding and is redundant when the state has no money to spend. In each recession, a new wave of bankruptcies rolls across California's school districts—always in the poorest places, such as Richmond in the Bay Area or Lynwood in LA County. In the worst cases, as in Oakland in 2003, the state sends in a team to shrink the budget and downsize people's aspirations. Today the state lists 175 out of 1,050 school districts as being in serious financial straits. Charter schools are a favoured neoliberal nostrum; nominally under the control of school

²² For data, see the National Center for Children in Poverty, www.nccp.org.

districts, they are operated by outside contractors, often for profit. There is no evidence that they do better than public schools on average; more relevant is the fact that they are not covered by union accords which would allow teachers to secure decent pay and other protections.

If the prevailing doxa is that the schools are failing the state, there is an even more pernicious idea in circulation—that the children themselves are failures. They cannot read, do badly on standardized tests, are restless and insolent, they do not graduate. The solution: throw out the troublemakers, lock down school yards and bring in police patrols; assign hours of boring, repetitive homework, so that anxious parents will believe their children are getting a rigorous education; and above all, make them sit test after test after test.

All this has taken place against the backdrop of shifts in the composition of the school population, as millions of children of immigrants have entered California's classrooms. Latinos make up half of all school-age children, but the other half comes from households speaking over 100 mother-tongues. Most bilingual classes were swept away by Proposition 227, passed in 1998, which reinforced the use of English and restricted teaching in other languages. Nativists argue that the system has been overwhelmed by mass immigration; but if the number of people arriving between 1975 and 2000 was no greater than that arriving from 1950 to 1975, the failure to invest in schools has a clear racial taint: while the postwar wave of migrants was mostly white and US-born, the second is non-white and born to foreign parents.

The decline of the schools bespeaks 'forty years of failed inclusion'.²³ After the passage of the Civil Rights Act of 1964, fierce battles broke out in cities across the country over school integration. In the early 1970s, court decisions forced cities to bus students from one district to another (though not between cities and suburbs) in order more effectively to desegregate education. Los Angeles and countless other areas were torn apart by the ensuing struggles over busing. Another landmark was the California Supreme Court's Serrano decision of 1971, which required the state authorities to redistribute tax revenues to compensate for the egregious inequalities of funding and resources between school districts. Yet despite efforts to equalize funding, imbalances between districts are

²³ Ronald Schmidt, 'Immigration, Diversity and the Challenge of Democratic Inclusion', in Lustig, *Remaking California*, pp. 121–39.

worse than ever. The upper middle class shield themselves by simply taking their children out of the public-school system and sending them to private institutions instead; previously rare, such withdrawals have now become commonplace—along with another alternative for the well-off, which is to move to prosperous, whiter suburbs where the tax base is richer. If public funds are insufficient, parents raise money amongst themselves for school endowments. In July of this year, a combination of civil-society groups launched a lawsuit over the injustice of school funding, hoping to produce a ‘son of Serrano’ ruling.

The main opposition to the present state of affairs in education comes from the teachers’ unions. The CTA led the fight to win Proposition 98 and is a perennial force to be reckoned with in Sacramento. CTA local branches have tried to hold the line against charter schools and layoffs, and teachers have received regular backing from parents, pastors and community organizers. The CFT has been active, too; it put together a California Schools Coalition with the SEIU and the local-government and health-care employees’ union, the AFSCME. In March and April 2010, the Coalition formed part of a month-long march from Los Angeles to Sacramento to defend public education and public services, agitating for reforms to school funding and the tax system. Community groups, for their part, have set up a coalition—Parents and Students for Great Schools—to push for better and more equal funding. But within the vortex of the Great Recession, the schools continue to spiral downward.²⁴

The higher learning?

California’s three-tier public university system is by far the largest in America and in the past has been one of the best in the world. The nine-campus University of California (UC), with Berkeley the flagship, is widely acknowledged to be the finest public university in the country. The open-access, two-year California Community Colleges (CCC) serve almost three million students a year on 110 campuses, while the 23 campuses of the California State University (CSU) enroll almost half a million. The latter two serve the bulk of California’s working-class students of colour, as they try to make their way into a hostile labour market.

Higher education has felt the cold winds of fiscal decline for twenty years. The CSU and CCC systems have fared the worst. They have taken

²⁴ David Bacon, ‘California’s Perfect Storm’, *Rethinking Schools*, Fall 2010.

major cuts in recessions and received little in return during the boom times. At least half the teaching staff at the CSUs and two-thirds at the CCCs are now adjunct lecturers, rather than regular faculty—in line with national trends.³⁵ The Great Recession has cut a swath through all college budgets. In the summer of 2009, the UC authorities imposed a 20 per cent cut in the operations budget, a 5–10 per cent cut in pay and a 32 per cent increase in tuition. Faculty recruitment came to an abrupt halt, and hundreds of staff were laid off. The CSU and CCC systems, faced with similar cutbacks, have eliminated hundreds of courses, made lecturers and staff redundant and halted new construction, while raising fees and turning away hundreds of thousands of students.

Within the universities, there is a growing class divide. Administrators and top UC faculty have lined their pockets with hugely inflated salaries, while lecturers, junior UC faculty and CSU/CCC professors find themselves hard pressed to pay the rent. One study shows that in the last decade, administrative hires at UC have doubled, while other employment has risen only by a third. At Berkeley, a consultant's report identified tens of millions of dollars that are spent inefficiently in procurement and on extra layers of management; yet no managerial heads have rolled, the main burden instead falling on lower-level employees through organizational restructuring and layoffs.³⁶ Departmental cutbacks leave teaching staff with little time to think and students with less support in navigating college life. At the same time, the raising of tuition fees has become a regular ritual; though UC has maintained a decent system of grants for needy students, annual fees of over \$11,000—likely to rise inexorably—are driving many others, especially students of colour, away.

The UC administration is eager to restructure the university in order to increase revenues. Among the proposals they favour are a three-year undergraduate degree to run students through the mill more quickly and bringing in more foreign students, who pay at least double. Another idea involves offering more online courses and degrees, as a means of selling

³⁵ On the broader shifts in education, see Frank Donoghue, *The Last Professors*, New York 2008, and Christopher Newfield, *Unmaking the Public University*, Cambridge MA, 2008.

³⁶ Charles Schwartz, 'Who Pays the Hidden Cost of University Research?', *Minding the Campus* blog, 9 August 2010. For information on Berkeley's restructuring and faculty critiques, see the 'Reforming the University' section of the UC Berkeley Faculty Association website, ucbfa.org.

the UC brand around the world. Meanwhile, the professional schools within the UC system—medicine, law, public health and so on—are being allowed to price their ‘product’ at the level of their choosing. All of these moves undermine the ideals of the public university. The notion of education as a social investment, contributing to the advancement of human knowledge, is being replaced by a money-making activity, in which academics produce patentable inventions and students make a personal investment in their ‘human capital’, to be financed by taking out massive loans. On current trends, we may be witnessing the end of liberal education for all but the elite.²⁷

Students up and down the state rose up in anger against the cutbacks and fee increases last year (one slogan read: ‘Raise Hell, Not Costs!’). From Santa Cruz to Berkeley to Los Angeles, they held public debates and protests and occupied buildings, in a show of strength not seen since the 1960s. Starting in late September 2009, mass walkouts of staff and students took place across the UC system, and a group of students at Santa Cruz began the wave of occupations, which then spread to UCLA, Berkeley and UC Davis in November.²⁸ UC administrators responded by repeatedly calling out the cops—both the UC force and local police—to break up protests and end the occupations. The UC Regents went ahead with the fee increase all the same.

In January 2010, in response to the turmoil, the governor offered a greater share of the state budget to higher education. Then, on March 4, tens of thousands of students and teachers across the state, from primary schools to universities, staged a massive walkout and demonstrations to defend public education; these then spread to campuses around the country. State allocations did rise a bit in the final budget passed in early autumn, but the Regents were soon raising tuition by another 8 per cent—despite a new round of protests on October 5 and violent confrontations between demonstrators and police at their meeting in San Francisco on November 17. But the students face a Sisyphean task in trying to face down a recalcitrant government and administration

²⁷ Even though the public supports raising taxes over increasing student fees, according to a recent poll by the Public Policy Institute of California; see Mark Baldassare et al., ‘Californians and Higher Education’, November 2010, available at www.ppic.org.

²⁸ For more on the protests and changes in the university, see the Occupy California and Remaking the University blogs.

at the same time. There are also divisions within the student movement, along three fault-lines: between the inert mass and more activist student organizations; between the latter and the radical 'occupationists'; and between white left and radical students of colour. While not hard and fast distinctions, they are long standing and debilitating in their own right.

Among the faculty, the strongest opposition to budget cuts comes from the California Faculty Association in the CSU system and from the CFR, which represents a mix of CSU and CCC faculty, UC lecturers and K-12 school teachers. A minority of UC professors still care deeply about the purposes of the public university and have rallied to the cause, notably under the banners of SAVE UC at Berkeley and the Faculty Organizing Group at Santa Cruz.²⁹ But the elite professoriate is mostly in denial—hunkering down in their labs, relying on the good faith of administrators, pursuing corporate research grants or offering their services in lucrative consultancies.

Whither the Golden State?

California has been living off the accrued capital of the past. The New Deal and postwar eras left the state with an immense legacy of infrastructural investments. Schools and universities were a big part of this, along with the world's most advanced freeway network, water-storage and transfer system, and park and wilderness complex. For the last thirty years, there has been too little tax revenue and too little investment. To keep things running, Sacramento has gone deeper and deeper into debt through a series of huge bond issues for prisons, parks and waterworks. By this sleight of hand, Californians have been fooled into thinking they could have both low taxes and high quality public infrastructure. The trick was repeated over and over, in a clear parallel to the nationwide accumulation of excessive mortgage debt. As a result, California now has the worst bond rating of any state.

Examples of failures to invest abound. California's highways are rated the second worst in the United States. Its prisons are so overcrowded that they are in federal receivership. And state pension funds for employees, teachers and UC staff are all in a parlous state, because the state government stopped paying into them in the recession of the early 1990s,

²⁹ See www.saveuc.org and The New UC blog for ongoing news.

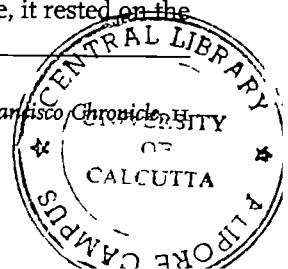
leaving the endowments to ride the stock markets. With some estimates of unfunded liabilities running as high as \$500 billion, now everyone is scrambling for ways to make the problem disappear—by reducing benefits, increasing contributions, raising the retirement age or shifting to privatized pension plans.³⁰ A High Speed Rail link between the Bay Area and Los Angeles ought to be a sign of forward thinking, except that it is about thirty years too late. A generation ago the LA–San Francisco air corridor was one of the busiest in the world, land prices were reasonable and a rail line would have put California at the forefront of transportation technology. Now it is laughably behind the Europeans and Asians. Furthermore, despite new federal aid and an enormous bond issue approved by voters, the state may be unable to afford the bloated price, and the project is beset by local objections to routing, particularly from wealthy residents of the San Francisco peninsula.

One area where long-term thinking is in evidence is in the response to climate change. California has a history of energy-conservation policy going back to the 1970s, resulting in the state now having the lowest per capita energy use in the US. In 2006, the legislature passed AB32, a law that mandated reductions in greenhouse-gas emissions of 25 per cent by 2020. Governor Schwarzenegger jumped on the environmental bandwagon, and Silicon Valley capitalists saw gains to be made from the new technologies that would be required. When two Texas oil companies tried to use the current recession as an excuse to rescind AB32 through a ballot proposition in November 2010, it was rejected decisively by the voters, 61 to 39 per cent. Opposition came not only from environmentalists, but from Silicon Valley's TechNet lobbying group—comprising the likes of Google, Yahoo and Apple—and the venture-capital crowd. The Valley's capitalists are some of the few left in the US who are more interested in production and innovation than speculation, and who understand their dependence on government programmes.³¹ Despite the failure of the Obama administration to make headway on the climate front, California may yet lead the transition to a Green Economy.

During the postwar era, California's prosperity was underwritten by massive government investment and overseen by a reformed administration in the mould of the New Deal. At the same time, it rested on the

³⁰ 'A Gold-Plated Burden', *Economist*, 14 October 2010.

³¹ Tom Abate, 'Why Silicon Valley Faces Fresh Threats', *San Francisco Chronicle*, February 2010.



basis of a skilled labour force, who were paid healthy wages, supported by unions and proud to see their children advance by means of public education. Inequality was muted, thanks to progressive taxation, inexpensive land and a quiet stock market. California lived off that legacy for many years, even as it entered the era of global competition and neoliberalism; indeed, its continued success seemed to vindicate the New Economy, even as the rest of the country sank into a post-industrial stupor. But the Golden State was sailing on sunk capital. Today, California has run aground on the reefs of inequality and racial division, inferior schooling and incapacitated government, while those who profited from the boom times have refused to share their good fortune with new arrivals. Without California's dynamism, the US will lose its chief motor of growth and continue its long decline. The new working class in California will have to break the bonds of race and ideology, and demand good schools, more democratically accountable government and a more equitable economic settlement, if there is to be any hope that this gloomy trajectory can be averted.

THE COMING CONTRADICTION

On Jameson's Valences of the Dialectic

AFTER SO MANY groundbreaking variations on the theme, it will perhaps not come as a surprise that new material from Fredric Jameson offers yet another occasion to think about what it means to historicize.¹ Conceived as a further instalment in a series named *The Poetics of Social Forms*, the latest collection of essays expands upon a complex of problems that first came together in *The Political Unconscious*, which was the fountainhead of a whole body of work on the ideologies of narrative form. Building on his earlier summa of inter-war Marxist literary criticism, *Marxism and Form*, Jameson here took on board post-war intellectual formations that had long stood at a distance, and even in opposition to, this tradition—structuralism, formalism and hermeneutics, to name only a few. In the heyday of Theory, Jameson moved above the polemics that once divided its many schools, gleaning paradoxical ideological patterns that, in his view, only an absolute historicism was in a position to recognize.

While *The Political Unconscious* was still an exercise of literary criticism—semiotic analyses of the narrative ideologies of Balzac, Gissing and Conrad—the horizon of Jameson's work had already turned outward to the cultural logic of a suddenly expanding world-system whose emblematic artefacts were more often architectural and cinematic than textual. The novel retained some of its previous significance, but increasingly in the form of writing far removed from the canons of French Studies and Comparative Literature. Driving this turn towards new cultural formations was an ambitious attempt to theorize the historical significance of a strange new aesthetics that seemed to confound an older opposition of modernism and realism, the once imposing alternatives of the Lukács–Brecht debate. In a climate of growing suspicion towards

'totalization', Jameson can be seen to have pulled off an improbable intellectual coup, establishing a broadly Hegelian-Marxist understanding of a widely, if inchoately, experienced postmodernism, while conjoining this mutation in the superstructure to a new phase of capitalist expansion and intensification. Older forms of narrative mimesis and their avant-garde negations were fading out, revealing a seemingly limitless global sensorium of simultaneity and juxtaposition. In this epochal light, we could see *The Poetics of Social Forms* as proposing a variation on Hegel's historicist adage—'Philosophy is its own time lifted to thought'—for our postmodern condition: theory is the unrepresentable limits of the world-system lifted to the level of a form-problem.

What is dialectics?

The opposition of form and content preoccupied an older generation of literary critics. The Marxists among them tended to conceive of this duo through some of the central paired concepts of historical materialism, ultimately in terms of the elusive relationship of consciousness—more precisely, categories of thought and experience—to the unsolvable predicaments imposed by different modes of social being. Jameson has never stopped exploring the interpretative possibilities of the intersection of Marxism and formalism that his own criticism has come to define: the world mapped by a novel, the virtual presence within it of an external world-systemic situation, the narrative schemes that mediate this inside-outside relationship, and the ideologies that manage the pivotal moments of incoherence and failure of this mediation. But whereas other essays of Jameson's chart the topology of this exterior world—its intercalation of metropolitan, provincial and colonial zones, its hierarchical articulation of synchronic modes of production—those in *Valences* are more inclined to peer into the deep time of the world-system: its origins and ultimate passage towards some still unimaginable other form of society. If the latest collection could be said to have a literary preoccupation, it might be how an analysis of the narrative ordering of succession and simultaneity, futurity and retroactivity, inception and closure, parts and wholes can open out into new ways of thinking about what the historical once was, and the forms of its contemporary erasure and convolution.

Historicity remains the *locus classicus* of dialectical problems. In the concluding footnote of a long introductory chapter that explores some of the

¹ Fredric Jameson, *Valences of the Dialectic*, London and New York 2009.

various ways in which the term 'dialectic' has been understood, Jameson presents a useful overview of the contents of the entire collection:

The chapters on Hegel seek to establish a different case for his actuality than the one normally offered (or rejected). The second of those chapters, and the succeeding ones, examine some of the contemporary philosophical classics from a dialectical perspective, and also to make a case for the renewed interest of Lukács and Sartre today. A series of shorter discussions then seek to clarify various themes in the Marxian tradition, from cultural revolution to the concept of ideology; followed by a series of political discussions, which, while documenting my personal opinions on topics ranging from the collapse of the Soviet Union to globalization, nonetheless claim to demonstrate the relevance of the dialectic for practical politics. In a long final section, which confronts Ricoeur's monumental study of history and narrative, I supplement this work by supplying the dialectical and Marxian categories missing from it, without which History today can scarcely be experienced.²

Across this topical diversity, the dialectic emerges as the name for the various ways in which we can think and experience what our categories seem to place out of reach, but which sometimes appear back to us in the form of obscure objects of contradictory predication. One example stands out as particularly illustrative of the mythical operations of the contemporary *pensée sauvage*. Globalization has made the world ever more homogeneous; on the contrary, it is a situation of unprecedented differentiation and hybridization. Our current spontaneous understanding of the world compels our assent to claims that would appear to rule each other out. In the broadest sense in which Jameson uses the term, dialectics then is a form of thought that accords a privileged significance to situations in which the logical pattern of our accounts of the world generate aporias, antinomies and, finally, outright contradictions. The Aristotelian axiom of non-contradiction articulates the fundamental premise of self-sameness in the ordinary experience of what is, as encountered in particular experiential contexts according to particular directions of concern. Its logical necessity is therefore subject to the strenuous conditions of human existence in this upright, coherent mode.³ This might give us a better sense of why Marx thought that a contradiction-free account of the real premises, the conditions of possibility of a certain mode of existence could not be articulated by those who

² *Valences*, pp. 69–70.

³ Aristotle, *Metaphysics*, IV, 4. Heidegger comments: 'Aristotle expresses this briefly as follows: if what is said in the axiom did not hold, then human beings would sink to the level of a plant, that is, they could not exist at all in language and in the understanding of Being.' Martin Heidegger, *Being and Truth*, Bloomington 2010, p. 46.

were compelled to reproduce these premises in their ongoing attempts to resolve the interpretative and practical problems that life in this form invariably poses. This is the reason why crises in the logical pattern of the relationship of words and things can disclose the specifically historical shape of the insoluble problems at the heart of a certain mode of life. The experience of such limit-situations might even allow us to pre-figure some determinate notional shapes of what lies beyond our immediate practical, generational or even epochal horizon. For Jameson, then, dialectic is an orientation that continually translates this experience of finitude back into upsurges of transcendence, taking the form not of the solution of already existing problems, but rather of the generation of new problems out of the partial neutralization of old ones.

Reanimating Hegel

Hegel's idealism was an attempt to problematize the traditional categories of understanding, inherited from Aristotle and taken up by Kant as simply given, by thinking about their conditions of possibility.

In Aristotle and Kant, the categories are inventoried and sorted out according to various classification schemes, but they cannot be said to have been interpreted, exactly, since they do not have meaning in and of themselves but rather govern and organize meanings and to that degree stand outside of meaning as such.⁴

Hegel sought to demonstrate how the modes and forms of thought have a logic of their own to which we fall victim if we are unaware of their existence and their informing influence on us. It followed that the flaws in a given category—the way in which it comes to be entangled, for example, in a manifestly unsatisfying dualism or definitional circularity—are already indices of a concrete historical situation. As Lukács once observed, Hegel's transformation of categorical problems into historical ones opened the way to Marxism. Of course, this conception of the passage from Hegel to Marx would seem immediately to exclude the understanding of dialectics popularized by Friedrich Engels: a monistic vision of a human history unfolding within a boundless, conflict-driven flux of nature. The latter view posited an unproblematic identity of thought and being, as if our forms of thought merely reflect, in more or less adequate ways, reality's iron laws of antagonistic development. Beginning with Lukács, Western Marxism recoiled from

⁴ *Valences*, p. 283.

this conception of materialism, of thought as the mirror of nature, by insisting on the non-identity, the rift between categories and being, and the structural transformations that would be needed to bring about some form of their reconciliation. From this perspective, both naive realism (identity) and, in a reversion to Kant, the many ways of assuming some absolute incommensurability (non-identity) between our forms of thought and the world, prevent any recognition of the unavoidably historical problems of the opposition and unity of these terms.

The main anti-dialectical currents of postwar French thought came to see Hegelian notions of totality, mediation and the subject as a sort of philosophical straitjacket. Against these, there arose the desire for conceptualities loosened from the strictures of common sense and metaphysical reassurance, along lines indicated by either mathematics or some variant of literary ultra-modernism: the formalization of structures without a subject, the never-ending deconstruction of the foundational rhetorics of philosophy, various genealogies of epistemic breaks, disjunctive syntheses of the empirical and transcendental, and so forth. But such apparently anti-dialectical orientations were all attempts to escape the ideological circularity of metaphysical reifications; that is, to achieve what Hegel in his own time had sought to bring into question, but which he then too hastily presumed to be solved by speculative identity claims. But the terminology of Hegelian philosophy—or that of any other philosophical system—is not itself dialectical. In order to reanimate this potential in Hegel's philosophy, we must abandon its crowning syntheses and sterile culminations, and embrace the self-undermining tendencies of the spirit of contradiction.

How, then, should we distinguish this unsystematic dialectic of failures, of critical and hermeneutic operations on contingent ideological problems, from an earlier conception of negative dialectics or, for that matter, from deconstruction itself? All three, Jameson suggests, could be seen as variants of *equipollence*: the ancient sceptical art of setting up equally strong propositions or arguments on both sides of an issue, with the aim of exposing the dubiousness of any proposed synthesis or conclusion. The implacable negativity of thought's self-criticism often becomes for Jameson, as it did for Adorno and Derrida, a placeholder for various figures of the absolute, appearing as the trace of a now foreclosed prospect of utopian reconciliation. If deconstruction and the dialectic are both

ways of staging the structural incoherence of would-be foundational claims and definitions, 'the dialectic pauses, waiting for a new solution to freeze over and become an idea and ideology to which the dialectic can then again be applied, while deconstruction races forward to unravel the new result as well'.⁵

Dialectics, then, is not simply negative or critical, but also a more affirmative hermeneutic of the ideologies, projects and worlds that struggle to surmount their specific, constitutive finitude. One suspects that the reason why Heidegger has come to assume an ever more prominent place in Jameson's work is that both his phenomenology and his later archaeology of metaphysics advanced in anticipation of an impending breakthrough to new ways of thinking, the shadowy intimations of which might already be detected in the recaptured original assumptions behind philosophical key words and fragments. This openness to the most controversial side of Heidegger's thought comes out of a historicizing interest in the ideological forms of various politics of truth—perhaps in particular, the decisionism to which all radical new movements seem to give rise—conjoined to an utterly impassive, deflationary understanding of truth itself. Indeed, on the question of *Das Wesen der Wahrheit*, he seems to stand diametrically opposed to Alain Badiou, maintaining in an earlier work that 'in this history, all truths are also at once and at the same time ideological, and should be celebrated with the greatest suspicion and vigilance'.⁶ Badiou's loftier conception of Philosophy stands in illustrative contrast to what Jameson means by Theory:

Theory . . . has no vested interests inasmuch as it never lays claim to an absolute system, a non-ideological formulation of itself and its 'truths'; indeed, always itself complicit in the being of current language, it has only the never-ending, never-finished task and vocation of undermining philosophy as such, of unravelling affirmative statements and propositions of all kinds.⁷

But if this formulation leans heavily in the direction of a purely critical, even deconstructive conception of theory, its meaning is supplemented by others in which Marxism is understood as grounded in 'the conviction that genuinely new concepts will not be possible until the concrete situation, the system itself, in which they are to be thought, has been radically modified'.⁸ The basic assumption behind this conception of

⁵ *Valences*, p. 27.

⁷ *Valences*, p. 59.

⁶ Jameson, *The Seeds of Time*, New York 1994, p. 77.

⁸ *Valences*, p. 135.

theory is that our inherited philosophical categories are essentially dead, but can be rewritten into the present with a certain effective afterlife, as the terms of their own possible supersession. The relation between 'Theory', 'Marxism' and 'Dialectic' is never definitively settled in these essays, suggesting that these are the not-quite-right names for various ways of taking stock and probing beyond the deadlocks of thought and praxis, amidst a long transitional era to another mode of life.

Genealogies

Kant's great discovery was that the human mind is limited in what it can think. In the context of the themes of *Valences*, his attempted demonstration of the impossibility of thinking about the origins and end of the world in an adequate way can be seen to assume a special significance. More concretely, Rousseau posed the same problem for any narrative of the origins of language: while it was impossible to think that language came into existence all at once, it seemed barely conceivable that it had evolved incrementally. What was at stake, of course, was not the evident fact of such changes, but our capacity to think about them with sufficient clarity. Before Nietzsche, then, Rousseau can be said to have pioneered the genealogical approach to the enigma of the emergence of whole orders of things that implicitly teleological narratives of origination cannot properly account for.

Genealogy, according to Jameson, 'was meant to lay in place the various logical preconditions for the appearance of a given phenomenon, without in any way implying that they constituted the latter's causes, let alone the latter's antecedents or early stages'.⁹ The point is not that narrative should be replaced by genealogies in this sense, but rather that the latter can bring out the conceptual operations that the narrative form of history—with its assumption of a continuous, enveloping logic of a world within which developments are held to unfold—not only cannot fully address but actually has to conceal. The problem internal to any account of how new logics, or how new, unenveloped worlds come into being—the origins of language, of the state or of capitalism—is the necessity of establishing how the conditions of those origins were somehow present in the anterior situation, generating the further problem of uncontrollable regress (the conditions of those conditions etc.), to which

⁹ *Valences*, p. 434.

only the quasi-teleology of a posited, usually nameless transitional period can provide a solution. Elsewhere Jameson has noted that this is:

a conundrum which only the concept of 'positing' can effectively address: for just as we always posit the anteriority of a nameless object along with the name or idea we have just articulated, so also in the matter of historical temporality we always posit the preexistence of a formless object which is the raw material of our emergent social or historical situation.¹⁰

Retreating from these aporias, Lévi-Strauss maintained that the diachronic (change and history) is neither meaningful nor thinkable, but the result of a series of accidents, which was his way of saying that qualitative changes of synchronic states—their origins, ends and transitional moments—are stumbling blocks to our ordinary conceptions of time as a homogeneous sequence of nows. For Jameson, these problems underscore the impossibility of articulating any homogeneous account of time—whether naturalistic or phenomenological—because they point to the existence of quasi-transcendental conditions of experience, themselves subject to ageing and historical change, that fail to appear in the life world of that experience, or do so in the form of a contradiction. Arguably, then, this conception of 'genealogy' remains too narrowly focused on the problem of structural genesis to comprehend the way in which the decline and end of certain worlds also defy representation.

It might come as a surprise that a figure as steeped in Marx as Jameson would bypass, in the context of reflections on the disjunction between synchronic and diachronic dimensions of temporality, Marx's own inquiry into the social process of mediation between the cyclically reproduced structural conditions and the empirical experience of a certain form of counting time, i.e. the value form itself. After all, in volume 1 of *Capital* Marx demonstrates how this form manifests itself as a division within socially standardized working days between necessary and surplus labour time that ultimately appears as a contradiction in society's experience of the epochal limits of capitalist growth. While the concluding, previously unpublished essay of *Valences* eventually swoops down on this very contemporary problem, it does so after a long, spiralling digression through literary and philosophical reflections on how Time and History have been conceived in a number of traditions far removed from Marxism.

¹⁰ Jameson, *The Hegel Variations*, London and New York 2010, pp. 85–6.

Was war die Zeit?

The penultimate section of *Valences* offers a generous commentary on Paul Ricoeur's *Time, Memory and Forgetting*, beginning with a consideration of the opposition of Aristotelian and Augustinian conceptions of time; that is to say, roughly, the naturalistic and subjective understandings of it. This opposition between the classical philosopher and the late Roman theologian has formed a point of departure for numerous discourses on the phenomenon of time, and overlaps with the opposition of *temps* and *durée* introduced by Bergson:

ST AUGUSTINE: What then is time? If no one asks me about it, I know; if I am supposed to explain it to one who asks, I do not know.¹¹

ARISTOTLE: Time is the number of motion in respect to before and after.¹²

However striking the apparent opposition of subjective to objective in these formulations, Heidegger reminds us that this may itself be anachronistic. Aristotle's pithier definition turns out not to be so straightforward, for in referring time back to motion, time ultimately comes to be indexed to what in his view was the purest, most autonomous form of motion, that of the soul itself, reckoning with time. For Jameson, Aristotle's attempt at a definition actually demonstrates the impossibility of defining time, except circularly, and therefore the need somehow to show it. A passage from Heidegger conveys a similar understanding of the purpose of Aristotle's definition of time, seen as 'not a definition in the academic sense. It characterizes time by defining how what we call time becomes accessible. It is an *access definition* or *access characterization*.'¹³

What it gives access to, when properly understood, is our habitual comportment towards time, the compulsions of guiding oneself according to it: 'we are directed towards what occupies us, what presses hard upon us, what it is time for, what we want to have time for.'¹⁴ Coming toward, going back to, staying with: temporality is this very externalizing, projecting, horizon-forming comportment. For Heidegger, the etymology of key philosophical terms in classical languages promised to disclose concealed networks and silent histories of thought that could

¹¹ *Confessions*, Bk II, Ch. 14.

¹² *Physics*, Bk 4, Pt II.

¹³ Martin Heidegger, *Basic Problems of Phenomenology*, Bloomington 1988, p. 257.

¹⁴ Heidegger, *Basic Problems of Phenomenology*, p. 259.

not otherwise be brought to light. If this assumption has become less persuasive today, perhaps it could be accepted—with the license that dialectical speculation seems to permit itself—as a way of indicating the possible implications between terms that would otherwise stand in mute isolation, in this case the relationship between temporality, existence, appearing or, alternately, worlds. In Greek *ekstatikon* means stepping outside-itself, in Latin *existere* means standing forth, appearing. Temporality, Heidegger suggests, can be understood as this intrinsic exteriority of existence. This outside-itselfness is a mode of appearing in a pre-given, implicitly meaningful world, whose labours and transactions are oriented to various common senses of temporality. While he celebrated Aristotle's *Rhetoric* as 'the first systematic hermeneutics of the everydayness of collective being', Heidegger thereby consigned it to being a phenomenology of inauthenticity, that is, of the ordinary routines of disavowing our most authentic possibilities, or abstaining from some unspecified historical mission. This characterization of the irresolute, vicarious texture of everyday life inevitably raised expectations that there were, by contrast, other moments when the finitude of things transparently stood forth, in the light of unmixed Time itself—the mirage of *parousia*.

For Jameson, deconstructive scepticism towards such excesses never rules out a sympathetic hermeneutic of what such figurations of the Absolute might disclose about our historical situation. Heidegger provides a way of thinking about how change in our mode of existence—the very condition of the way things appear—can itself be made to appear in everyday phenomenological terms, with due allowance for the necessary quotient of fantasy and misrecognition entailed in this mediation of barely commensurable transcendental and empirical—alternately, historical and existential—planes.

Addressing the inability of the official Marxism of the 1950s to comprehend the still irreducible lived experience of contemporaries within the exhausted dogmas of its theory of history, Sartre proposed that the 'dialectical knowing of man, according to Hegel and Marx, demands a new rationality within experience', in the absence of which the historical situation has become completely opaque in East and West alike. What are the conditions of this translucency of experience within which *historicity* as such could be manifested? Pre-empting Kierkegaard's later criticism of him, Hegel once argued that our situation 'is radically

different from that of the Greeks, in that they had first of all to generate usable abstractions out of the immanence of empirical daily life; we, however . . . are drowning in abstractions, we have to find a way of getting out of them'.¹⁵ This way out is unlikely to be found in the fetishized authenticity of solitary life—the Kierkegaardian solution—but must now, under conditions of the ever more intensive socialization of experience, be pursued in an opposite, Marxist direction, towards an awareness of how even our affective states and passionate commitments are 'dependent on the labour of other people and on a social differentiation of production within which those particular human possibilities are available or on the other hand excluded'.¹⁶

The corollary of this conception is that the experiential is no longer what lies within a circumscribed phenomenological horizon around us but has become ever more scrambled by distant and even absent spaces, within a capitalist world-system opening up virtual possibilities of experience which are not straightforwardly present in our quotidian surroundings. But this mode of production, violently unfolding from some remote pre-history, is also heading toward some unknown fate, and in every phase of its expansion this scrambling of all that was solid opens up frontiers of experience in which these virtual possibilities assume a specific cultural shape that enigmatically marks its structuring contradictions and outer limits: postmodernism as the cultural logic of *late* capitalism.

Categories and concepts

Recalling the original project of *The Poetics of Social Forms*, we come to the question of the narrative categories through which History itself might be made manifest in experience, that is to say, the narrative form through which the origins and self-undermining universalization of capitalism can be subjectivized. This Lukácsian problem of the subjectivization of what the Althusserians used to call 'natural-historical processes without a subject' can be seen as the ultimate contradiction of dialectics. By the end of the 1970s, Jameson had come to the view that older realist forms of the historical novel could no longer mediate what had become an unrepresentable—which is not to say untheorizable—rift between an unfolding contradiction in socio-historical conditions and the increasingly worldless milieu of contemporary *Dasein*. He argued

¹⁵ Quoted in *Valences*, p. 283.

¹⁶ *Valences*, p. 206.

that the narrative forms of the realist novel presupposed a background stream of continuous historical development out of recognizable origins, 'a life experience unique to the industrializing nations of nineteenth-century capitalism, of the gradual dissolution of older pre-capitalist *Gemeinschaften* of traditional village life and their replacement, within the unity of a single lifetime and a single biographical experience, by the nascent industrial city.'¹⁷

Contrary to a common misconception, Jameson's own understanding of historicity calmly accepted structuralist and post-structuralist criticisms of grand narratives even while holding fast to the commitment to 'always historicize'. But what, then, did the term mean, if it could no longer be taken as a hermeneutic form of understanding that put events into some meaningful story of development or placed artefacts back into their past cultural contexts? While references to Nietzsche have dropped out of his writings since the 80s, in a text from the early 90s Jameson offered a novel reinterpretation of the nausea the former felt for the historicism of his age—'about the way in which one mode gave way to another, how a "civilization" broke down, how Rome declined, how some other social form will eventually take the place of the current one'.¹⁸ He proposed that the disgust of the epigone to which Nietzsche gave vent could now be seen as one of a gamut of affects that could conceivably galvanize a specific mode of hermeneutic contact with the cultural past, going so far as to suggest that this insight might provide the model for an alternative, unfamiliar historicism, far from the discredited, organic ideologies of origins, progress and decay.

What seems to interest Jameson in Ricoeur's last work on the narrative phenomenology of time was the use he made of Aristotle's descriptions of tragedy as a laying-out of the essential forms of all stories. But the significance of Aristotle's *Poetics* for Jameson is arguably not what it was for Ricoeur, who conceived of it as an all-purpose framework for making sense of the reader's experience of the 'followability' of narratives, even ones that, in their labyrinthine complexity and multiplicity of levels, seem to defy unification into the form of a plot. What Jameson, by contrast, has taken from the *Poetics* is something altogether different, namely the possibility that Aristotle's account of the elements of tragedy could somehow

¹⁷ Jameson, 'Marxism and Historicism' (1979), in *The Ideologies of Theory*, London and New York 1988, p. 459.

¹⁸ 'Benjamin's Readings' (1992), in *Ideologies of Theory*, p. 240.

take us out of the world of individualistic points of view inscribed in the narrative conventions of the modern novel, and premised on familiar socio-historical milieux. Jameson suggests that the problem with such deep-seated points of view is that they set up an imaginary moral cosmos of protagonist and adversary that can be of no use to us as we set out to discover some new, non-anthropomorphic 'subjects of history'. The supposition of the last essay in *Valences* is that a classical understanding of an archaic, pre-individualistic world of fate, a time before modern ideological articulations of the historical had settled into their familiar moulds, might allow us to grasp some of the contemporary, post-individualistic forms of its appearance. 'Pre- or post-individualistic concepts', Jameson writes, are 'more appropriate for the contemplation of the multiple pasts of human history', a process without a subject which 'no witness and no Absolute Spirit could encompass.'¹⁹

The three Aristotelian 'concepts' that Jameson takes over from Ricoeur—*peripeteia*, *anagnorisis* and *pathos*: reversal, disclosure and, as he will interpret it, the absolute—are at least rudimentary enough to have the appearance of universality. The process of 'reversal' makes visible how people fall under the power of fate, and captures the dialectical unity of victory and defeat, the most primitive terms through which the pattern of something we could call history, or a prototype of it, becomes legible. He draws on David Quint's study of Virgil's *Aeneid*, the 1993 *Epic and Empire*, to convey how an identity of these opposites was at work behind the Augustan triumphalism of the epic poem, setting the template for later variations and inversions. The sub-text or afterthought of the imperialist epic turns out to be something like: 'You Roman victors, never forget that you are also the miserable losers and refugees of defeat and of the loss of your city and country!' Within this reversal and dialectical identity of victory and defeat lies a tragic concept of fate, a figure of the unifying necessity implacably expressing itself in factional strife and the fluctuating tides of war. The classical articulation of this spectacle of destiny was Thucydides's *The Peloponnesian War*. Across the distance that separates this Attic micro-world from our post-modern universe, 'this conception of historicity as necessity must still be ours, however much it must be grasped in terms of oppositions not yet available to the Greek historian, such as the potential or exhaustion of modes of production.'²⁰

¹⁹ *Valences*, p. 551.

²⁰ *Valences*, p. 590.

Reversal within an implacable unifying logic of necessity is, of course, the story form assumed by Marx's structural account of a capitalism driven to surmount its limits, eventually capsizing into another, unforeseen social order, or, with less anticipation of any particular outcome, of capitalism as simultaneously the most emancipating and the most disastrous situation that has ever befallen human beings, expressing a sort of primal ambivalence of the Good and Bad with no apparent practical resolution. For Jameson, Marxism is not just an account of the genesis and structural limits of capitalism, ambiguously situated within a broader millennial sketch of the variety and succession of different modes of production, nor simply a critical theory of the untenable limits and contradictions of thought and experience determined by these modes, but also a hermeneutic of the mythologies that all collectives rely upon to interpret the meaning of suffering and the possibilities of its transcendence.

Earlier on in *Valences*, in one of two essays on Sartre, Jameson observes that, 'just as theology needs to account for evil and suffering in a world otherwise attributed to God, so any conceptually satisfying "philosophy of history" needs to account for violence and failure in some meaningful way, rather than as a series of accidents that fall outside of meaning.'²¹ In this new 'human age' of modernity that begins with capitalism, explanation and critique still come to be inextricably entangled in myth, within a wider dialectic of enlightenment. Philosophies of history should then not be understood as explanatory or critical theories but rather as secularized fantasies of the opposed destinations that history has appeared to be heading towards from the dawn of bourgeois society: emancipation or some new form of barbarism; utopia or extinction. Accordingly, the meaning of history from early to post-modernity has been experienced in the opposed valences of Enthusiasm and Horror, as attunements to these starkly opposed destinations, where the intensification of one or the other of these two affects signals the passage of empirical experiences into transcendental ones; that is to say, into a sense of the permanent possibilities or constraints on what human beings can transform and create through their own collective efforts.

In far-off Königsberg, Kant pondered the significance of the French Revolution in terms of the enthusiasm it evoked amongst all those who were at least open to the idea that servitude was not the natural

²¹ *Valences*, p. 232.

lot of humankind. 'Such a phenomenon in human history is not to be forgotten', he wrote, indexing the sudden appearance of a vast, uncharted domain of autonomy that would soon provoke obscurantist horror. But the counter-revolutionary hysteria of de Maistre was merely derivative and failed to give rise to any epoch-defining vision of history. The dialectical possibilities of horror as an attunement to the barbarism at the gates of civilization only arrive with the shocking, protracted emergence of a new working-class condition in factories and slums. Jameson offers a memorable description of the *peripeteia* from bourgeois revolutionary enthusiasm of the late 18th century to the proletarian standpoint on the nascent world of capital within which yet a further dialectical reversal unfolds:

As we approach, in the eighteenth century, that more democratic age that capitalism began to open in the West, a new preoccupation with imprisonment, tyranny and despotism, arbitrary punishment, fanaticism and superstition, begins to inflect political passion, and to prepare the overthrow of the old regimes. Yet the installation of parliamentary systems and a relative political equality only serves to shift the horror and to disclose the deeper perspective of labour as such, of the factory as prison, as a lifelong toil, which then retroactively illuminates the time of the labouring body in a new and perhaps more salvational perspective.²²

Disclosures

The second of the three terms in Ricoeur's Aristotelian dramaturgy is *anagnorisis*, the recognition of the other as the same—an event-form from an archaic time preceding the foundations of the *polis*, when a sworn enemy that turned out to be one's own kinsman was the stuff of legend. For Jameson, this conception of disclosure indicates another mode through which History itself might be thought to make an appearance, as the estranging *mise-en-scène* of unincorporated multitudes suppressed from the ordinary field of vision. The reason we are now compelled to confront this problem of historicity in the form of the appearance of obscure multitudes is that, unlike in the age of classical Marxism, the current dynamics of capitalism do not seem spontaneously to constitute such populations into the recognizable figure of a proletariat illuminated against the backdrop of an acknowledged 'social question'. 'Marx named and identified a working class already in the process of becoming visible in the first mode of production which was purely economic in structure, and which did not any longer in that sense need to be discovered.'²³

²² Valences, p. 590.

²³ Valences, p. 568.

The epochal decline of industrial employment—partly counteracted by a decades-long build-up of debt and relocation to lower-wage peripheries—has made it ever more difficult for capitalism to absorb the consequences of vast demographic transformations in different sectors of the world-system: ageing populations in the zone of affluence, ever larger and younger populations in the zones of immiseration, negating whatever tendencies might once have existed within capitalism to homogenize the world of labour through classical processes of modernization. *Anagnorisis* is a term that reopens the problem of what the critique of ideology means within this latest era of global, alternately neoliberal or postmodern capitalism. In a sense, the contemporary experience of the omnipresence of the market makes ideology critique superfluous, ‘since there is no longer any false consciousness, no longer any need to disguise the workings of the system and its various programmes in terms of idealistic or altruistic rationalizations; so that the unmasking of those rationalizations, the primordial gesture of debunking and of exposure, no longer seems necessary’.²⁴ The dominant ideology of the times is simply a cynical reason embedded in the media-saturated life routines of the current form of capitalism, dulcified by bouts of philanthropy for certain designated categories of victims.

The complacency of this moral universe cannot be ruffled by exposés of sweatshop exploitation, human-rights abuse, or the wretchedness of conditions at home or abroad. What is required in this context, Jameson argues, is a demonstration of the historical transience of this mode of life, taking the form of an unbending logic of reversal that comes to disclose vast unincorporated multitudes whose very existence makes palpable the force of some of its untranscendable structural limits. *Anagnorisis* is ‘the stripping away of layers of ideological concealment and occultation, to offer a terrifying glimpse of the historically Real.’²⁵

In a brilliant, contemporary re-reading of Marx’s *Capital*, Jameson claims that the ultimate point of this work was to demonstrate how a society organized around a process of value-creating labour eventually staggers into a condition of permanent mass un- and under-employment, spawning an ever deeper underworld of surplus humanity: ‘not the least astonishing and dialectical union of opposites discovered by Marx, and not the least terrible, is that indispensable function of capitalism to create what is blandly known as the reserve army of the proletariat.’²⁶

²⁴ *Valences*, p. 413.

²⁵ *Valences*, p. 568.

²⁶ *Valences*, p. 576.

Of course capitalism has always depended upon there being a surplus population, people in excess of the available amount of employment. As the Italian economist Ferdinando Galiani has it: 'God has decreed that the men who carry on the most useful crafts should be born in abundant numbers.'

While later Marxists would ignore this side of his work, Marx himself placed the demographic preconditions of capitalism at the centre of his critique of political economy. In volume 1 of *Capital*, he argued that the process of the accumulation of surplus value undermined its own conditions of expansion through its tendency to replace labour-power with capital—generating over the long term an irreversible decline in the demand for labour.²⁷ Marx presented the outline of a trend unfolding out from a structuring contradiction in the value form, manifesting itself in an erratic interplay of tendencies and counter-tendencies: 'Such a self-destructive contradiction cannot be in any way even enunciated or formulated as a law'—a proposition, Jameson asserts, 'which cuts to the very heart of all representation and all philosophical systems'.²⁸ The unrepresentability of contemporary capitalism to which Jameson has often referred does not, as is commonly thought, stem from the sheer scale and networked complexity of the world-system, nor from the relocation of manufacturing away from the life world of consumption. It is this contradiction that is un-representable in the terms of ordinary experience: it does not seem to make sense that a society in which almost everyone is compelled to make a living by creating value for the market continually ends up with less available employment, stagnant wages and ever deeper in debt, when everyone knows that this is the only rational way that an economy can be organized.

This situation might allow us to revisit what Lukács in *History and Class Consciousness* meant by the vantage point of the proletariat. It is perhaps only now, in the midst of the dissolution of all readily available forms of collective praxis, that we can confront the stark dialectical problem that the contemporary long downturn of capitalism has created. The inability of this system to reemploy the workforces it is in the protracted process of shedding is also undercutting the power of these populations to respond collectively to and therefore experience this self-destructive contradiction

²⁷ On this point I am indebted to Aaron Benanav's interpretation of Marx on employment: see 'Misery and Debt: On the Logic and History of Surplus Populations and Surplus Capital', *Endnotes* 2, April 2010.

²⁸ *Valences*, p. 63; and Marx, *Capital*, vol. 1, p. 676.

as a coherent historical process. The political subjectivization of this self-destructive contradiction—employment under condition of surplus value becoming its opposite, an unemployable surplus humanity—forms the Lukácsian crux of the contemporary historical situation.

Jameson points out that it has long since been obvious that industrial workers could no longer be the central subject of radical politics, as their numbers have shrunk steadily with the growing productivity of labour, in a process that ultimately converges with the long decline of the world's peasantry. Readers of Marx will be familiar with the idea that capitalism expands by undercutting non-capitalist modes of subsistence, but it is perhaps only now becoming evident that it is drifting towards a condition of permanent mass unemployment, and in low-income countries, fuelling the explosive growth of slums, with little prospect of new phases of accumulation and job creation. Even before the 1970s, when the force of this trend began to reassert itself against the effects of Fordist mass production and statist developmentalism that had long counteracted it, it was increasingly apparent that an older working class was being politically eclipsed as the central subject of radical politics by new social movements and, in the Third World, by countryside-based guerrilla struggles. Deleuze's and Guattari's notion of the *hors-classe* drew on contemporary Italian theorizations of this earlier subjective eclipse as it fused explosively with the 70s experience of a permanent structural marginalization of the working class. This term, as well as the later one 'multitude', articulates the fantasy of an anarcho-communist revolutionary movement completely outside the State itself, set loose by the ongoing dissolution of the world of labour.

This is the point at which we get the most vivid sense of the empirical value of that Deleuzian terminology which might otherwise seem merely poetic or speculative: 'decoding', 'deterritorialization', the replacement of the older codes by the new axiomatic that triggers and releases 'fluxions' of all kinds.²⁹

While sympathetic to such exuberant speculations, Jameson remained sceptical of the Negrian and post-Fordist view that these changes were manifestations of a new, dynamic phase of capitalist accumulation powered by new forms of productive labour. In his own terms he arrived at an understanding of the intractable downturn of capitalism, engendering a

²⁹ *Valences*, p. 188.

flight forward into financialization, that converges with the account of the period offered by Robert Brenner:

It would be wrong to think of this universal stagnation (accompanied by stupefying quantities of loose and unproductive riches) as a cyclical matter by virtue of which the political 1960s were succeeded by a new period of unbridled speculation, itself presumably to be replaced by this or that return of government responsibility and state intervention.³⁰

Recalling for the moment the Aristotelian conception of *peripeteia* or reversal, of victory capsizing into defeat, we might reflect on how the last several decades of capitalism conform to this pattern: 'dizzying paper-money speculation on the one hand, and new forms of "immiseration" on the other, in structural unemployment and in the consignment of vast tracts of the Third World to permanent unproductivity'.³¹ But the point now is how to think of this as leading to the second moment of *anagnorisis*, the estranging realization of what our ideologies had not allowed us to recognize until now, of the other as the same, and of ourselves becoming this other.

Aristotle in the slums

The structure of an ideology, according to Jameson, should be analysed in terms of its possibilities of generating 'the act or operation of *anagnorisis*': the 'identification of agents not yet fully visible.'³² A characteristically Jamesonian form of ideology analysis is the semiotic square, whose heuristic significance many have questioned, but which is employed to dramatic dialectical effect in the last essay in *Valences*. The structural impasse of capitalism allows us to analyse our ideological map of the different regions of the world-system over this period as a semiotic square revealing a disconcerting pattern of identities taking shape across the starkest oppositions of fate. For Jameson this allows us to ponder the dialectical ambiguation of the space and time of the world-system in the form of a figure that superimposes the narrative of capitalism as the rise and fall of employment onto the geographical spaces of the world-system: America-Europe in the top left corner (the employed); China in the top right (the employable reserve army of labour); Africa in the bottom right (the unemployable), and a fourth position at bottom left, indexing a temporal dimension within the matrix of opposed and

³⁰ *Valences*, p. 401.

³¹ *Valences*, p. 375.

³² *Valences*, p. 579.

contrasted geographical regions. The term that occupies this fourth position (the formerly employed) reveals the common destiny of the system, as late capitalism passes over into a condition beyond the limit of what is presently conceivable. The protracted structural crisis of capitalism, 'the growth of the slum city, of permanent obsolescence, of overpopulation in other words', is a change in the transcendental conditions of the appearance of the Other from the category of quality to that of quantity, giving rise to the emergence of the demographic sublime as a figuration of extinction or utopia.

Before Jameson there have been few Marxists who took seriously the historical significance of the fact that a life that began in 1945 would by its 90th year have witnessed a quadrupling of the world's population. The headlong movement towards this absolute limit not just of capitalism, but of nature itself as its ecological opposite, takes us back to the Rousseauian advent of civilization, becoming the condition of the appearance of historicity as such. For the inhabitants of the slums 'are not merely the personnel of the periodic visits to the lower depths of the great modern cities and the glimpses of London poor or of the "mysteries of Paris"; they open a transcendent window onto human history itself, from which nostalgic glimpses of tribal Utopias are scarcely of much use as a relief or remedy'.³³ A passage from Mike Davis's recent work on the subject conveys a sense of the history that is disclosed by 'this new and utter absence of security and shelter' that no Agambenian philology can adequately convey.

The cities of the future, rather than being made out of glass and steel as envisioned by earlier generations of urbanists, are instead largely constructed out of crude brick, straw, recycled plastic, cement blocks and scrap wood . . . Much of the 21st-century urban world squats in squalor, surrounded by pollution, excrement and decay. Indeed, the one billion city dwellers who inhabit postmodern slums might well look back with envy at the ruins of the sturdy mud homes of Çatal Hüyük in Anatolia, erected at the very dawn of city life 9,000 years ago.³⁴

This brings us to the final, third term of this Aristotle-framed account of the ideology of narrative form: *pathos*, the experience of tragedy's bloody concluding tableau. Jameson conceives of the *mise-en-scène* of History in emphatically Heideggerian language, 'as a heightening, or intensification

³³ *Valences*, p. 569.

³⁴ Mike Davis, *Planet of Slums*, London and New York 2006, p. 19.

in which endurance is pushed to its limits', when 'Being itself somehow appears through and beyond individual beings and the present is expanded to include past and future all at once.' Fully aware of the quasi-theological baggage that any invocation of the Absolute must carry, he suggests, in reflections on Malraux, that perhaps there are times when the terrifying Real of which it is a figuration can only be made visible in this form of portentous solemnities.³⁵ An Althusserian sense that all of our experience is structured, indeed contaminated by ideology leads to the conclusion that such figures might be useful and indeed, on occasion, indispensable. But an earlier citation of Lukács conveys an inevitable deduction from this understanding of the extravagances that arise when we confront the limits of what can be thought and experienced: 'The absolute is nothing but the fixation of thought, it is the projection into myth of the intellectual failure to understand reality concretely as a historical process'.³⁶

The original Aristotelian concept of *pathos* represented the culminating moment of fate in the form of a tableau, fitted to the proportions of the city-state world of ancient tragedy. Implicit in this understanding of *pathos* is a problematic ideology of a transparent visualization of the historical, and Jameson is quick to remind us that in the image-saturated universe of the spectacle, there is no chance that the structuring contradiction or absent cause of our overall situation, grasped in terms of capitalism, civilization and nature itself, could ever simply come into view. And yet there is no purely non-representational form of thinking that can easily overcome this problem of the visual reification of experience—what a contemporary translation of Hegel would call 'picture thinking'. For Jameson this is not first and foremost an epistemological or metaphysical matter of the correspondence of thought and being, but a problem of the contemporary limits of praxis. All of our notions of historical change are entangled in anachronistic pictures of collective agency from a bygone era of revolutionary politics, fitted to the proportions of the national and international spaces in which earlier stages of modernization unfolded. Such static spectacles of collective agency seem to be foreclosed for the time being, and in the meantime a new attunement to time and history must be cultivated.

What is the role of Marxism in articulating the forms of this new existential situation? Jameson argues that in the context of the remorseless

³⁵ *Valences*, pp. 604, 506.

³⁶ Lukács, *History and Class Consciousness*, pp. 374, 187; quoted in *Valences*, p. 209.

destruction of all partly insulated local and national worlds, and their unification into the single temporality of the world-system, the once profound problem of the relativity of the experience of the historical is itself relativized; as a result, 'it is necessary for other thought modes to find their positions and develop their possibilities within Marxism as such. This was not yet the case with modernist passions and absolutes which still disposed of other lines of flight in a global situation which did not yet seem definitely sealed and secured by the logic of capital.'³⁷

Jameson subscribes to Sartre's view that Marxism cannot be true if history is decomposed into an irreducible plurality of autonomous modes of life, but clarifies the way in which the capitalist unification of history makes these multiple pasts, on which there was no unifying subjective perspective, also intelligible. This sheds new light on the meaning of the term 'postmodernism' and its relation to another term that has been at the centre of Jameson's work since the 80s: 'globalization'. For all the mythologies that surrounded the latter, and the underlying problem of the stagnation of capitalism that the various processes it named could not surmount, postmodern globalization can now be seen as the long process of the decay of different national cultures, of alternate capitalist and even anti-capitalist modernizations, ultimately of modern history as the dynamic of combined and uneven development.

Sharpening the dialectical form of the question that organizes the last essay in *Valences*, we might ask: what are the potentially political forms in which this post-historical situation might be experienced historically? Alternately we might reformulate the problem in the literary terminology of this latest addition to *The Poetics of Social Forms*: what is the genre in which the historical in this paradoxical post-historical sense can be made to appear? Jameson simply rules out tragedy as too complicitous in the sombre ruling-class ideologies of the past, now available only in the aestheticized form of reactionary anachronism. But comedy too, the way in which we might imagine a providential emancipation from an all-subsuming social order—although still an indispensable moment of any galvanizing vision of political change—might today seem too improbable as a generic articulation of the shape of what is coming.

It is in the context of the neutralization of both literary forms that Jameson offers some concluding thoughts on the most long-standing

³⁷ *Valences*, p. 607.

topic of his entire oeuvre: utopia, the absolute negation of the becoming-absolute of capital, our alternate world, one which we apprehend only in outline and in intimations of the beyond. Here, it is linked to the idea of a spatial dialectic; the last words of *Valences* maintain that 'Utopia exists and that other systems, other spaces, are still possible.'³⁸ This capacious, Blochian notion of utopia has been criticized for its tendency toward over-extension, and its remoteness from any practical, political calculus. Over the last several decades, as one form after another of anti-systemic, and even classically reformist, politics collapsed or retreated before the advancing storm of late capitalist financialization and the ideological atmosphere that surrounded it, this criticism arguably lost much of its force. By all accounts, we are now entering into a new phase of the protracted long downturn of late capitalism, for decades counteracted and concealed by an enormous build-up of unsustainable debt and speculation. Forecasts of the shape of the societies that might emerge out of the meltdown of neo-liberalism are obviously in an incipient state, limited by still unanswerable questions regarding the various forms of collective response, the subjects of the coming political period. But in the absence of any plausible scenario of system-wide economic renewal, it might soon no longer be true that the end of capitalism is less conceivable than the literal end of the world—the stark limit on thought and experience that Jameson once memorably identified as the transcendental statute of the postmodern condition. As more determinate forms of negation struggle to assert themselves—with whatever ultimate prospects of success—the need for a new term of totalization may soon become evident.

³⁸ *Valences*, p. 612; for the spatial dialectic, see especially pp. 68–70.

UNDERSTANDING POLITICS



Privatizing Water *Governance Failure and the World's Urban Water Crisis*

KAREN BAKKER

"Written by one of the world's leading specialists in water governance issues, *Privatizing Water* deepens, challenges, and combines the debates on urban water supply, sustainable development and equitable access to water and public services."

—RUTGERD BOELEN,
WAGENINGEN UNIVERSITY
£16.50 paper

Weapons of the Wealthy *Predatory Regimes and Elite-Led Protests in Central Asia*

SCOTT RADNITZ

"*Weapons of the Wealthy* is a highly original and comprehensive account of the complicated contortions of political change in Kyrgyzstan."

—KATHRYN STONER-WEISS,
STANFORD UNIVERSITY
£22.95 cloth

The Rise and Fall of Japan's LDP *Political Party Organizations as Historical Institutions*

ELLIS S. KRAUSS AND ROBERT J. PEKKANEN

"As the Liberal Democratic Party searches for its own identity in the early twenty-first century, *The Rise and Fall of Japan's LDP* gives us a fine historical sketch of how it managed to stay in office so long and what made it so powerful."

—SVEN STEINMO,
EUROPEAN UNIVERSITY INSTITUTE
£17.95 paper

Mao's New World *Political Culture in the Early People's Republic*

CHANG-TAI HUNG

"*Mao's New World* offers a broad new narrative of the first decade of Communist rule, focusing on the Party's use of culture in establishing its new political order."

—RICHARD KRAUS, AUTHOR OF
PIANOS AND POLITICS IN CHINA
£26.50 cloth

CORNELL UNIVERSITY PRESS

www.cornellpress.cornell.edu

UNCERTAINTY IN THE ENCLAVE

IN 1989, THERE were massive mobilizations in the then-British colony of Hong Kong in support of the Tiananmen Square protestors. Ever since then, the Chinese Communist Party has been concerned by the possibility that Hong Kong, which was returned to Chinese sovereignty in 1997 under the 'one country, two systems' arrangement, might become a weak link in its authoritarian rule. Since the 1980s, when negotiations for the handover began, Beijing has repeatedly promised that the Chief Executive and Legislative Council (LegCo) of the Hong Kong Special Administrative Region (HKSAR) would eventually be elected locally through universal suffrage. But in practice, Beijing has unbendingly sought to perpetuate the oligarchical political structure left behind by the British. It has found ready allies in the Hong Kong business elite, who have enjoyed privileged access to political power since colonial times.

In the early summer of 2010, Beijing and the Hong Kong Democratic Party (DP)—the flagship organization of the local democratic movement since the 1990s, which the CCP still officially designates a subversive organization because of its leaders' active role in 1989—reached a surprising deal that would apparently for the first time increase the proportion of popularly elected seats in the 2012 LegCo election to more than 50 per cent. Confusion and speculation abounded as to what motivated Beijing to make such a concession, or whether it was a real concession at all. To make sense of this puzzling development, and to draw out the implications for the future of Hong Kong's political system, we need to take into consideration the mounting class tensions since the 1997 handover, and the concomitant radicalization of the democratic movement in Hong Kong. In this light, Beijing's gesture appears as a pragmatic attempt to

contain brewing class and generational struggles; for it knows that any large-scale political turmoil in Hong Kong could spill over to destabilize the political order in mainland China. Such turmoil would also jeopardize Beijing's plans to turn Hong Kong into a showcase for what awaits Taiwan, as well as into a stable offshore financial market facilitating the internationalization of the renminbi.

Colonialism and its antinomies

The core urban area of what is today Hong Kong was ceded by the Qing Emperor to Britain in 1842 under the Treaty of Nanjing; the British added to this by seizing the Kowloon peninsula in 1860, and then in 1898 secured a 99-year lease on what became the New Territories, which constitute Hong Kong's hinterland. After the enclave's establishment as a colonial entrepôt, its ruling elite was composed of colonial administrators and European capitalists, who exerted their control through the Executive and Legislative Councils. The overlapping membership of these two bodies included both government officials and business representatives appointed by the Governor. The British also co-opted the local Chinese business elite into the colonial power structure, allowing these community leaders to help maintain law and order, as well as offering philanthropic welfare, among the growing migrant Chinese working class.¹ The colonial state relied on both the Chinese and the British business elite for revenue. While the authorities routinely awarded the elite privileged access to land, markets and information—turning them into monopoly-holders in a range of key sectors—the colonial rulers were also constrained by this elite, which consistently blocked any attempts to raise expenditure or taxation, effectively forcing the colonial government to become a *laissez-faire* state.²

British rule was interrupted by Japanese occupation from 1941–45, but with the end of the Pacific War London rushed to reassert control over Hong Kong. Mao reassured the British in 1946 that the CCP was 'not interested in Hong Kong', and would not be agitating for its return in the near future. Upon the founding of the People's Republic in 1949, the CCP decided to prolong the status quo, allowing Hong Kong to remain

¹ See Law Wing Sang, *Collaborative Colonial Power: The Making of the Hong Kong Chinese*, Hong Kong 2009.

² Stephen Chiu, 'Unravelling Hong Kong's Exceptionalism: The Politics of *Laissez-faire* in the Industrial Takeoff', *Political Power and Social Theory*, vol. 10, 1996, pp. 229–56.

a colony, as Party officials were eager to keep it as a diplomatic and commercial window to the world. While offering the colonial authorities *de facto* recognition, Beijing ensured that the British would tolerate underground CCP activities in the territory; the Party's presence there also discouraged London from introducing democratic reforms, as they had in preparing for decolonization in many of their other territories.

The US embargo on trade with the PRC, introduced in 1950, voided Hong Kong's purpose as a commercial entrepôt, so its capitalists turned instead to manufacturing. Industrial employment rose from a mere 5 per cent of the workforce in 1950 to 10 per cent in 1960, rising to 25 per cent in 1970.³ At the same time, the colony saw an influx of refugees from the mainland, who contributed to a huge increase in the population: from 600,000 in 1945 to 2.5 million in 1955. The new arrivals included small-scale entrepreneurs from Guangdong or textile magnates from Shanghai, who helped fuel Hong Kong's industrial takeoff, but the majority of the refugees were peasants and workers who provided Hong Kong's emerging industries with low-cost labour. They settled in urban slums, which became fertile ground for CCP-affiliated organizations—including a myriad of unions grouped under the Federation of Trade Unions, as well as schools, news agencies and filmmakers.

In the 1950s and 60s, these organizations grew against a backdrop of rampant government corruption, police brutality, class polarization and institutionalized discrimination against Chinese. Leftist unions frequently flexed their muscle with strikes. Their film companies—Southern Film, Great Wall, Phoenix, Longma—made box-office hits portraying the misery of the working class and helped disseminate propaganda about the new socialist China. Leftist community organizations, replete with supplies from the PRC, were often more effective than the colonial administration in delivering disaster relief in the aftermath of the fires, landslides and typhoons that constantly threatened working-class neighbourhoods, which usually consisted of wooden shacks perched on Hong Kong's hilly terrain.

In the spring of 1967, the CCP-affiliated Hong Kong and Macao Work Committee, under the influence of the Cultural Revolution, made use of a minor labour dispute to launch an all-out offensive against the colonial

³ David Meyer, *Hong Kong as a Global Metropolis*, Cambridge 2000, p. 159.

authorities, rallying and directing other Leftist forces in the colony. This was meant to generate a revolutionary crisis that ignited all social and political contradictions at once, paving the way for a CCP takeover, or at least for conjoint rule over the colony by the British and the Left, as had been achieved by an insurgency against the Portuguese in Macao in late 1966. In the initial phase of the Hong Kong uprising, mass rallies and demonstrations organized by the Leftists drew broad, spontaneous support among the Chinese population. However, the tide turned in late summer, when Chinese Premier Zhou Enlai reaffirmed to the British the CCP's policy of maintaining Hong Kong's colonial status. Emboldened by Beijing's non-interference, the colonial authorities mobilized the security forces to crack down on the Leftists, closing down their unions, schools and newspapers, and deporting key leaders to the PRC. Pushed into a corner, the Leftists resorted to terrorist tactics, such as roadside bombs targeting both government facilities and civilians. This violent turn alienated the wider Chinese community, costing the insurgents popular support.⁴

The insurgency had subsided by early 1968. Though many Leftist organizations resumed their activities under the colonial authorities' watchful eyes, they became ever more marginalized and demoralized during the 1970s. With a renewed sense of urgency, the colonial government set about shoring up its legitimacy. It managed to break the usual resistance from its business allies and, under the influence of Fabian socialist currents in the UK, began a series of interventionist social and administrative reforms in the early 70s. These included public assistance for the poor, universal free education for nine years, government-sponsored social services, and an effective and internationally acclaimed anti-corruption agency. The authorities also built the world's largest public housing system, which accommodated more than half of Hong Kong's population—4 million in 1970, growing to 5 million by 1980.

In tandem with these reforms came the rise of the student movement. In the early 1970s, the memory of the 1967 insurgency was still fresh among student radicals, who were also influenced by the world-wide student revolts of 1968, and sympathetic to the CCP. With a unifying theme of 'anti-colonialism and anti-capitalism', the movement sprang up in 1971 in protest against the American handover to Japan of the

⁴ Lui Tai-lok and Stephen Chiu, 'Social Movements and Public Discourse on Politics', in Ngo Tak-wing, ed., *Hong Kong's History: State and Society under Colonial Rule*, New York 1999, pp. 101–18.

Diaoyu/Senkaku Islands, which China claimed were its territory. The movement soon split into two main currents: a Maoist faction, which focused on propagandizing the achievements of socialist China and paid little attention to struggles in Hong Kong, and a 'social faction', which was critical of the CCP regime's authoritarianism and directed its efforts into supporting local social movements. Many of the Maoist students were later recruited by CCP-affiliated organizations, while some members of the social faction joined an array of independent social movements and political organizations that emerged in the 1980s. After 1982, when it became clear that Beijing intended to reclaim sovereignty over all of Hong Kong in 1997—rather than just the New Territories, on which the lease was set to expire that year—some of these new social organizations converged into a democratic movement, which supported the retrocession of Hong Kong to the PRC on the one hand, and sought political and social reforms during the decolonization process on the other.

This movement increasingly positioned itself as the political representative of not only the working classes but also an expanding 'new middle class'.⁵ Starting in the 1970s, the basis of the Hong Kong economy began to diversify away from manufacturing and into banking, finance and real estate, fomenting the growth of a professional class of managers in the private sector. Parallel to this transformation, a public-sector managerial layer emerged in the increasing numbers of schools, hospitals and social work organizations financed by ballooning government revenue during the long boom. The boom itself was greatly assisted by the lifting of the 1950 embargo in 1972, after Nixon's visit to China. Hong Kong could once again regain its *entrepôt* status, but this time as a global financial nexus. It was also to become a crucial source of capital and an entry-point for foreign investors in the PRC's own takeoff, after Deng Xiaoping's change of economic course. The first Special Economic Zone (SEZ) was set up in Shenzhen in 1979 because of its proximity to Hong Kong, for example, and the colony's capitalists subsequently played a leading role in the rapid development of the Pearl River Delta.

Shaping the transition

The transformation of Hong Kong into an East Asian business hub took place in parallel with negotiations over the colony's return to China.

⁵ Ma Kwok-ming, ed., *Jieji fenxi yu xianggang* [Class analysis and Hong Kong], Hong Kong 1988.

Deng had communicated his own position to the British in 1979: the CCP considered the territory part of China, but would allow it to 'continue to practise its capitalist system' for a 'considerable length of time'.⁶ In 1981, this stance was formalized as the 'one country, two systems' concept, and the recovery of sovereignty over all of Hong Kong in 1997 made official policy. The opening of Sino-British negotiations in 1982 stirred up panic among the colony's upper and middle classes, who feared an imminent socialist takeover of private property, as illustrated by an exodus of the wealthy and plunges in the stock, real-estate and currency markets. To allay this fear, Beijing indicated publicly that it would allow Hong Kong to become a Special Administrative Region (SAR), to exercise democratic self-government under Chinese sovereignty, and to perpetuate its capitalist system after its return to China.

According to one of the few credible public-opinion polls of the time, the majority of respondents were in favour of the continuation of British rule: 95 per cent said they would support colonial rule, 64 per cent would back British rule under Chinese sovereignty, while only 26 per cent supported the colony's return to China; the share of respondents supporting Hong Kong independence was not insubstantial, at 37 per cent.⁷ Only the CCP-affiliated Leftist groups, which had been marginalized in Hong Kong society since 1967, supported an unconditional return to China. Both the British and the Chinese business elites advocated the perpetuation of colonial rule. The handful of groups comprising the nascent democratic movement supported Hong Kong's return to China, but only under conditions of democratic self-governance and progressive social reform. Some of the leaders of these groups later formed the territory's democratic political party, the United Democrats of Hong Kong, in 1990.⁸

The Sino-British negotiations concluded in 1984 with the signing of a Joint Declaration agreeing a handover in 1997; the populace of Hong Kong, of course, was not consulted at any stage. Hoping for a turmoil-free transition, the CCP sought to build a broad united front in the colony's Chinese community. To the approval of the Democrats, Beijing repeated its promise to ensure democratic self-government for the future HKSAR in all areas except foreign and military affairs. On the

⁶ Quoted in Steve Tsang, *A Modern History of Hong Kong*, London 2004, p. 214.

⁷ Respondents could support more than one proposal. See Hong Kong Observer, *Guancha Xianggang*, Hong Kong 1982, pp. 70–81.

⁸ The party later merged with another group to become the Hong Kong Democratic Party in 1994, and has remained the flagship party of the Democrats ever since.

other hand, Beijing was anxious to win the allegiance of the Chinese business class, and vowed to perpetuate Hong Kong's capitalist order and the elite's hold on political power.

In 1985, Beijing set up a Drafting Committee and a Consultative Committee for the creation of the Basic Law, which was to be the mini-constitution of the future HKSAR; the Joint Declaration pledged that this would remain unchanged for 50 years. The Consultative Committee was to keep the Drafting Committee informed of public opinion, and included 180 representatives, all appointed by Beijing, from a wide range of social backgrounds and political orientations. As its name implies, it had no formal power over the Drafting Committee's deliberations. The Drafting Committee was the sole authorized body in the framing of the Basic Law, and was chaired by Ji Pengfei, former PRC foreign minister and veteran of the Long March. Of the committee's 59 members, 36 were Chinese officials and 23 Hong Kong residents. Among the latter, businessmen predominated—millionaire magnates such as Pao Yue-kong and Li Ka-shing were members, as were banker David Li and entrepreneurs such as Ann Tse Kai, Henry Fok and Cha Chi Ming. There were two representatives from CCP-affiliated unions, and just two from the Democrats, Martin Lee and Szeto Wah.

Keen to maintain Hong Kong's economic vitality throughout the transition period, Beijing cultivated the goodwill of the business elite, and increasingly prioritized their views. The PRC's dependence on foreign direct investment from Hong Kong in the 1980s only increased the CCP's sensitivity to these business interests, which feared that the introduction of universal suffrage would bring high taxes and a measure of redistribution. Consequently, Beijing sided with the business elite on practically all controversial issues during the drafting of the Basic Law, vetoing all the Democrats' proposals for articles on social rights—such as giving workers constitutional rights to collective bargaining and to strike—and on thoroughgoing political reform, such as full implementation of universal suffrage for the formation of the first HKSAR government.

Impact of 1989

The conflict between the Democrats and the business elite escalated in the wake of China's failed democratic movement in 1989. That spring, Hong Kong Democrats supported the Tiananmen protesters by

organizing mass demonstrations and fundraising campaigns. After the crackdown on June 4, the CCP's united front in Hong Kong broke down. The Democrats, who strongly denounced the repression, were accused by Beijing of being traitors, collaborating with foreign powers to subvert the CCP regime; Lee and Szeto were removed from the Basic Law Drafting Committee. The Hong Kong business elite, meanwhile, hurriedly formed delegations to pay court to a Chinese leadership that was isolated after Tiananmen; now the CCP's most reliable allies, they were elevated to the status of genuine patriots.

The final version of the Basic Law, passed in 1990, incorporated two measures giving a further indication of Beijing's hardening stance. Though the Law did contain the promise of eventual direct election of the Chief Executive and all LegCo seats, it delayed the implementation of this indefinitely, stating only that the post of Chief Executive would not be open to direct election earlier than 2007, and LegCo no earlier than 2008. Secondly, a provision for draconian anti-subversion laws was hastily inserted as Article 23, charging the future HKSAR government to 'enact laws on its own to prohibit any act of treason, secession, sedition, subversion against the Central People's Government'; these laws were also to ban foreign organizations from operating in Hong Kong, and to bar Hong Kong groups from forging links with overseas political organizations. The pace of democratization and the struggle over Article 23 then became the foci of contentious political mobilizations in late-colonial and postcolonial Hong Kong—so much so that independent social movements were overshadowed or absorbed by Democratic party politics.

Marginalized during the drafting of the Basic Law, in the aftermath of Tiananmen the Democrats constituted themselves as an official party. Their demands resonated with the agenda now adopted by the departing British, who sought to maintain the colonial government's legitimacy through a limited democratization. Small steps had been taken in this direction in the 1980s: in 1982, 18 District Boards (renamed District Councils in 2000), composed of a mix of appointees and directly elected members, were set up to run neighbourhood affairs across Hong Kong. In 1985, seats in the 50-strong Legislative Council—previously all appointees—began to be gradually replaced by Functional Constituency (FC) members, elected not by individual voters but corporate bodies such as business enterprises and professional associations, or individuals with professional qualifications designated by the government. Thus there

are FCS for accountants, lawyers, engineers, caterers, financiers, industrialists and so on. In 1991, the British increased the number of LegCo seats to 60, and set aside 18 of them to be filled by 'universal suffrage'—popular direct election within geographical districts. The Democrats won 17 of the 18 directly elected LegCo seats.

The arrival of Patten as the colony's last Governor in 1992 brought a further, though still minimal, degree of democratization: individuals rather than corporate bodies were to be allowed to vote in nine new FCs, which were created to include a broader array of occupations. Two further LegCo seats were opened to direct voting. In the first election under the revised system in 1995, the Democrats captured 17 of the 20 geographical constituency seats, and did well in the nine FC elections in which individuals were allowed to vote. On the eve of sovereignty handover, then, the Democrats had been overwhelmingly successful in all direct contests, and they had gained extensive media exposure as well as substantial financial resources through public offices. Beijing often denounced the democratizing reforms carried out since the 1980s as a hypocritical British plot to hand over a Hong Kong that the CCP would find difficult to control. But the CCP had little choice but tacitly to approve such reforms, provided they were not too radical, for fear of fuelling anti-Beijing sentiment in Hong Kong. After all, the CCP's own allies and proxies had actively participated in every direct election the British had allowed.

Beijing and the businessmen

As of the 1980s, many British Hong Kong-based corporations, seeing the uncertain future of the colony, started to diversify their business overseas. At the same time, the Hong Kong Chinese business elite expanded aggressively to take control of important sectors—finance and real estate first and foremost. By 1997, Chinese capitalists had successfully displaced their British counterparts to seize the commanding heights of the local economy. With the opening of mainland China to industrial investment, Hong Kong's labour-intensive manufacturers, who had always been marginal in the colonial governing coalition and did not enjoy much support from the state—in contrast to financial and commercial businesses—migrated en masse to the export-processing zones in South China. On the eve of the handover, the Sinicization and deindustrialization of monopoly capital in Hong Kong was all but complete. Of the top 20 companies (by market capitalization) listed on the Hong Kong

Stock Exchange, 12 were local Chinese, 6 were British and 2 from the PRC. Finance and real estate dominated: the British-owned HSBC occupied the top slot, followed by Sun Hung Kai Properties and Li Ka-shing's Hutchison Whampoa conglomerate.⁹

To ensure its control of Hong Kong after the handover, Beijing retained the LegCo system created by the British, and anointed Tung Chee Hwa, son of a shipping magnate, as Chief Executive. The size of LegCo was frozen at 60 seats, and the number of seats open for direct election gradually increased from 20 in 1998 to 24 in 2000, and then to 30 in 2004. But individual voting in the FCs, as instituted under Patten, was abolished, being once again conducted via corporate bodies and professional organizations. The CCP's business allies have always controlled a solid majority of the FCs. The Democrats, meanwhile, have since 1998 always captured the majority of directly elected seats, though Beijing-affiliated organizations, such as the Democratic Alliance for the Betterment and Progress of Hong Kong, have consistently gained around 40 per cent of the vote, thanks to their generous funding from the CCP-business coalition. These groups have also done very well in the District Council elections, in which a candidate can easily win with as few as a thousand votes; at this smaller scale, the ability to establish patron-client relations with otherwise apathetic voters has been instrumental.¹⁰ Taken together, the FC and directly elected seats held by CCP-affiliated groups always provide the government with a safe majority in the LegCo.

The Basic Law contained a further provision designed to prevent any possibility of social reforms being introduced by an alliance of Democrats, CCP-affiliated organizations and the handful of FC LegCo members less favourably disposed towards business—such as those from the Labour and Social Welfare constituencies. All motions tabled by Council members have to be voted on separately by FC councillors and directly elected ones; they can only be passed if a majority of both groups vote in favour. In contrast, motions initiated by the government only require a simple majority of the whole LegCo to be passed. This amounted to giving the CCP-business coalition the right to veto any potentially progressive social legislation, while denying the Democrats the same right over initiatives

⁹ Feng Bangyan, *Xianggang huazi caituan* (Chinese business groups of Hong Kong), Hong Kong 1997.

¹⁰ There are 18 District Councils in Hong Kong; in each, directly elected councillors represent small districts comprising about 17,000 citizens.

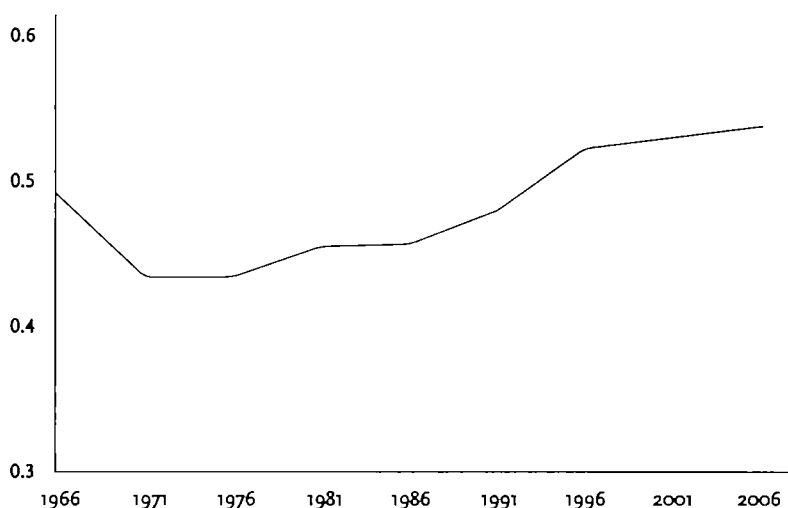
put forward by the authorities. Examples of legislative measures that could have passed in a simple majority vote but were vetoed by FC councillors abound; they include motions on reversing the privatization of public-housing amenities, increasing benefits for the unemployed, anti-monopoly measures that would check the market share of the big corporations, and so on.

The procedure for nominating and electing the Chief Executive is equally dominated by the CCP–business alliance, since the Election Committee responsible for nominating and electing the candidate was constituted under principles similar to those for the FC seats in the LegCo. Three-quarters of the 800 members of the current Committee are elected by corporate bodies from 38 sectors which correspond very closely to the FCs; each sector contributes dozens of members to the Committee. The remaining members are elected from among District Councillors, LegCo representatives, and Hong Kong delegates to the National People's Congress and the People's Political Consultation Conference. It was this Committee that rubber-stamped Tung Chee Hwa's appointment in 1996, and confirmed him for a second term in 2002.

Polarizations

The reliability of the Hong Kong business elite as Beijing's allies increased with the elite's rising dependence on the Chinese market and China's diminishing reliance on Hong Kong investment. The one-sidedness of this relation deepened with the prolonged economic downturn that followed the Asian Financial Crisis of 1997–98. The ensuing fiscal squeeze prompted the authorities to accelerate the neoliberal turn that had begun in late colonial times, accompanying the deindustrialization of the economy and rise of finance and real estate. Many of the social programmes introduced in the 1970s were eliminated or downgraded in order to cut costs. State subsidies of public-housing rent shrank, and amenities in public-housing estates were privatized; the programme for state-sponsored semi-private apartments for the lower-middle classes was terminated; funding for public schools with insufficient enrolments evaporated; the public hospital system was pushed to become financially self-sufficient, and therefore profit-oriented, and so on.

The downturn contributed to rising inequality. Income inequality in Hong Kong declined and then stabilized somewhat from the 1960s to

FIGURE 1. *Hong Kong's Gini Coefficient, 1966–2006*

Source. UN, *World Income Inequality Database*, 2008; Hong Kong Census & Statistics Department.

the 1980s, but began to rise in the 1990s and continued to grow after 1997 (see Figure 1). Hong Kong's Gini Coefficient was 0.53 in 2006, compared to about 0.47 in China and the US. With the wealthiest 10 per cent of its population commanding 35 per cent of total income and the bottom decile only 2 per cent, Hong Kong has one of the largest income gaps among all advanced economies.¹¹

As elsewhere in the advanced capitalist world, deindustrialization in Hong Kong led to the replacement of secure industrial employment with low-paid and short-term service-sector jobs. It weakened the power of organized labour, which was not strong to start with, given the domination of Hong Kong's industrial sector by small enterprises, and the lethargy of the CCP-affiliated unions after 1967. But the expansion of tertiary education, coupled with the growth of business and public-service sectors during the long boom of the 1970s and 80s, offered paths of upward mobility for working-class youth. The class structure of Hong Kong on the eve of the handover was thus composed of a politically privileged Chinese business elite on top, a disorganized working class at

¹¹ United Nations Development Programme, *Human Development Report 2007/2008*.

the bottom, and between them a large new middle class, part of which looked to the Democrats as their political representation.¹²

The mainstream Democrats, led by the DP, have been shy of grassroots organizing and confrontational mobilizations, judging their middle-class base to be mostly moderate, if not conservative. Their assumption is that this base would turn away from the democratic movement if the Democrats were to jeopardize economic prosperity and social stability. The DP's tactics have largely been confined to such ritualistic expressions of discontent as petitions and press conferences held by a few party activists. Sensitivity to its middle-class base has also led the DP increasingly to distance itself from redistributive politics. For example, in 1999 the leadership decided not to include a demand for minimum-wage legislation in the party programme, frustrating its more grassroots-oriented members, some of whom later left the party in protest.¹³

The self-limitation of the mainstream Democrats and insufficient political representation of the working classes enabled the ruling CCP-business coalition to prevail uncontested for the first few years after the handover. But class polarization and the closing down of pathways for upward social mobility fomented rising discontent among the poor and the young. This crystallized in two waves of popular mobilization against the ruling coalition, the first in 2003 and the second in 2010.

First upsurge

Between 1997 and 2003, the HKSAR government failed to generate a sustainable economic recovery, unlike many of its Asian neighbours. This was partly because, while real estate and the stock market remained anaemic, the authorities did not fulfil their promise to foster vibrant new sectors such as software and biotechnology. Corruption made matters worse: on several occasions they openly transferred public resources to their closest business allies, under the cover of an economic recovery programme. The most infamous case involved plans to create an IT park in 2000. To

¹² Stephen Chiu and Lui Tai-lok, *Hong Kong: Becoming a Chinese Global City*, New York 2009, Ch. 4.

¹³ The DP eventually came to support minimum-wage legislation in 2010, but only after it became a government initiative, supported by the Beijing-business coalition. The legislation provides for the establishment of a minimum-wage-setting committee heavily dominated by business interest, and is seen as toothless by labour activists.

facilitate this, the government handed a large tract of high-value land, at much lower than market price and without opening the bidding process, to an IT company owned by the son of Li Ka-shing. The government even covered the cost of infrastructural preparations for the site. The company then turned a large portion of the land into luxury apartments.

Popular rage at government corruption and incompetence in rejuvenating the economy was mounting when the authorities, under pressure from Beijing, began to introduce the anti-subversion legislation mandated by Article 23 of the Basic Law. In the autumn of 2002, many otherwise inactive scholars, journalists and librarians joined the Democrats to resist the legislation, seeing it as a grave threat to the freedom of speech that Hong Kong had previously enjoyed even under colonial rule. The outbreak of the SARS epidemic in early 2003 and the government's chaotic response, which precipitated an avoidable public-health crisis, further exacerbated popular anger. These frustrations were vividly expressed in the massive demonstration on 1 July 2003, the sixth anniversary of the sovereignty handover, in which more than half a million protesters took part, including many from the generation that had come of age since 1997. Though the main theme was opposition to Article 23, the demonstration showcased a wide range of other spontaneous appeals, including calls for universal suffrage in the 2007–08 Chief Executive and LegCo elections, and attacks on monopoly businesses.

The July 2003 demonstration was the largest to be held against the Hong Kong authorities in the territory's history. It was clearly a shock for Beijing, which responded by carrying out a strategic retreat: it allowed some of its business allies to withdraw their support for the Article 23 legislation, resulting in suspension of the drafting process. But it was not long before Beijing took the offensive. In 2004, just when the Democratic camp had begun to push for universal suffrage in the 2007–08 elections, the PRC's National People's Congress ruled that this would be out of the question, and reaffirmed the 50:50 split between EC-appointed and directly elected seats for the 2008 LegCo election. CCP officials repeatedly remarked that the pace of political reform in Hong Kong had to be determined by the central government alone, and any demand that contradicted Beijing's line was tantamount to an appeal for Hong Kong independence. A number of popular radio talk-show hosts who had played a crucial role in mobilizing for the July 1st demonstration were sacked for trivial reasons or simply vanished from the airwaves,

one after the other. Their dismissals were widely believed to have been a behind-the-scenes purge orchestrated by Beijing.

Political confrontation cooled down after this series of heavy-handed moves, but under the surface, the social cleavages that had led to the 2003 mobilization continued to deepen. The territory was now experiencing a strong economic rebound, largely thanks to the Closer Economic Partnership Agreement (CEPA) that Beijing had put forward to rectify the local government's repeated failures to revitalize the economy. Deeper integration between Hong Kong and mainland China sped up relocation of businesses and professional services to China, jeopardizing both working- and middle-class jobs in Hong Kong. The CEPA also opened the floodgates for capital to flow from the PRC proper to Hong Kong, precipitating an instant upswing in the financial and real-estate markets. The effect was to inflate asset bubbles and further increase the cost of living. The post-2003 economic boom, therefore, mostly benefited the business elite and the older, propertied middle classes, while bringing a relative deterioration in the living standards of the working classes and younger middle class.¹⁴

Second coalescence

In 2005, Beijing sacked Tung as Chief Executive (the formal reason for his so-called voluntary resignation being a 'minor leg disease'), replacing him with Donald Tsang, a senior bureaucrat in the late colonial administration. The choice was apparently motivated by a desire to exonerate the HKSAR government from charges of collusion with big business; but the symbiosis of CCP and business elite if anything deepened under Tsang. In 2005, the HKSAR government put forward a proposal for political reforms that would confirm the grip of the CCP-business coalition. The focus of contention was the method for electing the Chief Executive and LegCo in 2007–08. In the government's proposal, the number of directly elected seats was to increase by 5, and FC seats by the same number. All 5 of the new FC seats would be based on mutual election among members of the District Council, which has been dominated by pro-Beijing groups. The voting procedure within the LegCo itself, which gave veto power to the CCP-business coalition but not the Democrats, would remain the same.

¹⁴ On the relation between CEPA and asset bubbles, see Chan Man Hung, 'CEPA yu xianggang chanye jingji kongdong hua' [CEPA and the hollowing out of Hong Kong industry and economy], *Taiwan guojia zhengce xuekan*, vol. 3, no. 7, 2009, pp. 39–44.

Seeing the proposal as a far cry from universal suffrage, which they had previously expected to materialize in 2007–08, the Democratic camp demanded a concrete timetable and commitment to move towards universal suffrage, such as a promise that the number of directly elected seats would increase in successive elections. The government's unresponsiveness to these demands prompted 24 of the 25 Democrat councillors to cast a No vote, bringing down the government proposal (according to the Basic Law, proposals for constitutional reform require a two-thirds majority in the LegCo as a whole, as distinct from the simple majority needed for other government measures). As a result of this rejection, the method for electing the Chief Executive in 2007 and LegCo in 2008 remained unchanged. The Democrats turned their efforts to demanding universal suffrage for the following electoral cycle, in 2012. Yet in 2007, when this demand had begun to gather momentum, Beijing ruled that universal suffrage was out of the question for 2012, that the LegCo generated in that year would retain the 50:50 division between directly elected seats and FC seats, and that LegCo's voting procedures would not change—once again kicking the possibility of democratic reform into the long grass.

In the meantime, two new political groups had emerged within the Democratic camp, in the aftermath of the 2003 confrontation. The Civic Party (CP) was formed by barristers, professionals and critical intellectuals who positioned themselves as steadfast defenders of Hong Kong's rule of law, freedom of speech and the territory's autonomy vis-à-vis Beijing. Espousing liberal economic ideas, the CP was more radical than the DP as far as political reform was concerned. The second group was the League of Social Democrats (LSD), consisting of a combination of grassroots-oriented former DP members, veteran Trotskyists associated with the Fourth International such as 'Long Hair' Leung Kwok-hung, and Raymond Wong, one of the firebrand radio talk-show hosts purged in 2004. The LSD advocated income redistribution through social reforms, as well as immediate universal suffrage as an expedient way to curtail the privileged access of business to political power. It also espoused a combination of electoral politics and confrontational social movements as equally important means for pursuing progressive change.

Both of these new parties performed impressively in the 2008 LegCo elections, while the DP, now led by Alberto Ho, lost ground. The DP captured only 20.5 per cent of votes in directly elected seats, compared to scores of 30.4 per cent in 2004 and 34.7 per cent in 2000. Despite their

TABLE 1. *Structure of the Legislative Council elected in 2008*

Party	Geographical constituencies		Functional constituencies	LegCo total
	% of vote	Seats	Seats	Seats
<i>Democratic camp</i>				
Democratic Party	20.5	7	1	8
Civic Party	13.6	4	1	5
League of Social Democrats	10.1	3	0	3
Other	13.2	5	2	7
Total	57.4	19	4	23
<i>CCP-affiliated groups and individuals</i>				
Betterment and Progress	22.8	7	3	10
Liberal Party	4.3	0	7	7
Other	11	4	16	20
Total	38.1	11	26	37
<i>Invalid votes, etc</i>	4.5			
Total	100	30	30	60

Source: Hong Kong Electoral Commission.

short histories, the CP and LSD gained 13.6 and 10.1 per cent of the vote respectively. The rise of the LSD, with its redistributive politics and class-war rhetoric, is particularly notable; especially striking is its popularity among the young and the working classes, who previously lacked political representation. All told, the Democratic camp won 57.4 per cent of the popular vote, 19 of the 30 directly elected seats, but only 4 of the FCs—and thus control only 38 per cent of LegCo seats overall. The CCP's allies, by contrast, scored nearly 40 per cent of the popular vote, securing 11 directly elected seats, and retaining control of 26 out of the 30 FCs; they thus control 62 per cent of the LegCo's total seats (see Table 1).

Parallel to the rise of the Civic Party and LSD, after 2003 a spate of community movements emerged in opposition to the demolition of colonial-era buildings and neighbourhoods by the government and developers. Organized by diverse groups of students and young intellectuals, these movements manifested a strong sense of a Hong Kong cultural identity, as well as resentment against monopoly capital and a preference

for collective direct action. Some leaders of these movements sharpened their organizational and tactical skills through their involvement in the anti-WTO protests of 2005, fighting shoulder-to-shoulder with militant labour and farmers' groups from other countries, especially Korea.¹⁵

In 2009–10, these community movements converged in a mobilization against the construction of the Hong Kong–Guangzhou section of the national high-speed rail system. The project would destroy various rural and urban communities within Hong Kong, and its unit cost would be the highest of all the segments in the national system. Moreover, its principal supporters in LegCo were mostly FC councillors who would stand to benefit in one way or another from fat government contracts relating to the project. During the LegCo sessions of January 15–16, 2010, when debating and voting on the budget for the rail link were taking place, several thousand protestors encircled and blockaded the LegCo building, nearly succeeding in detaining the government officials and pro-project legislators inside overnight.

Though the movement was unable to prevent the project going ahead, its mobilizing capacity and potential to paralyse the government alarmed Beijing, already disturbed by reports of a surprise attack on the CCP's Hong Kong headquarters on New Year's Day. That night, a group of young protesters, somewhat overlapping with the anti-rail activists, had successfully broken through the police lines and metal fences to stage a sit-in at the building's rear entrance. In the spring of 2010, this emergent group of radicals, young and growing in numbers, joined hands with the CP and LSD to precipitate a referendum movement, amidst heated debate over the government's political reform proposal for the Chief Executive and LegCo elections in 2012.

Contested referendum

In the autumn of 2009, the HKSAR government put forward another political-reform proposal for the 2012 elections. This was practically identical to the one that the Democrats had blocked in 2005. Seeing the proposal's revival as a deliberate humiliation, the Democratic camp was divided on how to respond. The LSD suggested mass mobilizations to redouble the pressure on Beijing, urging it to offer a new proposal

¹⁵ On the protests, see Au Loong-Yu, 'Alter-Globo in Hong Kong', NLR 42, Nov–Dec 2006.

with a road map and timetable for universal suffrage. Citing the success of the 2003 demonstrations in halting the Article 23 legislation and hobbling the Tung administration, they noted that Beijing could not be brought to compromise without large-scale pressure from the public. More concretely, the LSD proposed a mechanism for holding a *de facto* referendum that would galvanize the popular will.

The referendum would be triggered by the resignations of five directly elected legislative councillors from the Democratic camp, each representing one of Hong Kong's five geographical constituencies. These legislators would then campaign for re-election on a unitary platform calling for universal suffrage and abolition of FCs as soon as possible. Each vote for any of the five candidates would then be equivalent to a vote in support of the platform, turning the by-election into a referendum. The process would set a precedent for Hong Kong's people to express their collective will on significant issues in the future, though unlike Taiwan and other democratic countries, the territory has no formal law authorizing referendums.

After initially vacillating, the DP adamantly opposed the referendum strategy on technical grounds, pointing to the difficulty in explaining the concept of the *de facto* referendum to voters. They also feared that any attempt at a plebiscite would antagonize Beijing—especially given its reaction to Taiwan's referendums of 2004 and 2008—and push it into a more conservative position. They suggested instead a strategy of patiently reasoning with the CCP to persuade it to revise the reform package in exchange for support from the Democrat camp in LegCo. The Civic Party, on the other hand, supported the referendum strategy, and by the end of 2009, an LSD–CP alliance was formed. In January 2010, two CP legislators and three from the LSD resigned, and the government set the by-election date for May 16.

Concerned at the precedent that the Hong Kong referendum would set, Beijing ordered its proxy political groups to boycott the by-election, hoping at least some of the resigned legislators would win uncontested, thus sabotaging the referendum plan. All the CCP-affiliated groups toed the line, declaring they would not participate. On 15 January, the central government even issued a statement expressing its 'serious concern' over the referendum movement, denouncing it as an 'open challenge to the Basic Law and the relevant decisions by the National People's

Congress'. CCP-affiliated politicians and commentators inundated the media with accusations that equated the referendum to a demand for Hong Kong independence.

In the face of Beijing's vehement opposition, the DP distanced itself further from the LSD-CP alliance. Szeto Wah, by now a retired DP elder, had initially endorsed the referendum strategy in the summer of 2009, helping to draw serious attention to it. But in the autumn he abruptly reversed his position and became hyperactive in denouncing the referendum, suggesting to his supporters not to vote in the by-election. In the meantime, the DP leadership opened clandestine negotiations with the highest levels of the central government through a special agent appointed by the Politburo, as the DP disclosed after the dust settled in July 2010. They hoped their opposition to the referendum would move Beijing to support their demands: a pledge eventually to abolish all the FCS, a firm promise of universal suffrage in 2017-20, and adoption of their proposals for the 2012 LegCo election. The latter would only marginally improve on Beijing's proposals: the five new FC seats, which in the government plan would be elected by District Councillors, would in the DP version be turned into quasi-directly elected seats, as candidates were to be nominated by the District Council but elected by all registered voters, except those with other FC voting rights.

Despite the open boycott by the establishment and implicit boycott by the DP, the resignation of the five councillors still triggered a *de facto* referendum, thanks to a group of student leaders who stood as candidates in all five geographical constituencies, ensuring the by-election would be competitive across all of Hong Kong. The students adopted an even more radical position than the LSD-CP alliance by demanding a fully elected chamber in 2012. A number of lone candidates, who shared the establishment's resentment of the radicalization of Hong Kong politics but were not under the CCP's command, also stood. Activists from the community movements helped to get out the vote.

In the end, all five of the Democrats who had resigned were successfully re-elected, winning between 68 and 93 per cent of the votes in their respective districts. But the turnout was a disappointing 17 per cent, half a million ballots out of more than three million registered voters. Commentators aligned with the establishment or the DP tried to present the low turnout as an indication of the referendum's failure. Supporters

of the referendum, on the other hand, noted that the turnout should be understood in the context of a massive boycott by the establishment, the DP included. Half a million voters defied the boycott, and Beijing's stern warnings, to support the referendum. Considering that, in the 2008 LegCo election, all the candidates of the Democrat camp combined won about 900,000 votes, the half a million votes cast in the by-election in fact represent a clear majority of Democrat voters. Thus the vote confirmed the radicalization of the democratic movement. Furthermore, the turnout was significantly higher in working-class neighbourhoods and among younger voters, verifying the observation made by many analysts after the 2008 election of the growing politicization of these groups.

The radicalization of Democrat voters, together with the DP's declining share of the vote in the previous few elections, shows that the DP's 'moderate' line of seeking democratization through dialogue with the establishment is losing its appeal. It is not difficult to imagine that, if Beijing had insisted on its original reform proposal, the radicalization of the democratic movement would only accelerate, whether the proposal was passed or vetoed at the LegCo session in late June. To make matters worse for Beijing, opinion polls showed that popular support for the government's proposal—not high to begin with—eroded after the referendum. If the proposal were to be brought down in the LegCo once more, it seemed possible that Chief Executive Tsang might have to resign or else dissolve the LegCo and call new elections, a last resort for breaking political deadlocks sanctioned by the Basic Law. Later in the year, rumours began to circulate that Beijing had already assembled a 'B-team' in the spring, to take over the HKSAR government in case Tsang had to resign. This would have further emboldened the radical Democrats and encouraged confrontational mobilizations, rendering the territory ungovernable.

To avoid this scenario of escalating political crisis, in mid-June Beijing—having for months denied any possibility of compromise—suddenly signalled that it was willing to accept the DP's proposal for the method of electing the 2012 LegCo, less than a week before the scheduled LegCo vote on the government proposal. But in exchange, Beijing required the DP to give up their other demands—that is, securing the CCP's pledge on the eventual abolition of FCS and the implementation of universal suffrage in 2017–20. Cornered by the radical Democrats and fearing their own marginalization if they failed to reach any deal with Beijing, the DP agreed to all the central government's conditions, and on June

23 all its councillors voted to pass a modified reform package in LegCo. The DP eagerly portrayed Beijing's concession in turning the five new FC seats into quasi-directly elected seats as a triumph for their approach. But it is inconceivable that the CCP would have agreed to this had the referendum not taken place, and half a million voters not turned out in defiance of Beijing's wishes.

A new landscape?

After the government's reform proposal was passed, the DP justified its stance by pointing to the increased number of directly elected LegCo seats, and hence seats that would be occupied by Democrats in 2012. It held that the expansion of the Democrats' presence in LegCo will increase their bargaining power with Beijing, helping to ease Hong Kong's future transition to full universal suffrage. Many other Democrats, on the other hand, criticized the DP's abandonment of the demand for abolition of the FCs and implementation of universal suffrage, arguing that this provided cover for Beijing to perpetuate the FC system. Some establishment figures have already begun to edge beyond the modified reform proposal that was passed, according to which District Councils were to be turned into nominating bodies that generate candidates for direct election, by insisting that all the current FCs could co-exist with universal suffrage if they too were transformed into nominating committees for direct elections.

In the autumn of 2010, the HKSAR government put forward a proposal outlining the procedure for the five new quasi-directly elected seats. According to the draft, a District Councillor needs 15 nominations from other directly elected District Councillors to become a candidate; those nominated will then campaign across all of Hong Kong, as one large geographical constituency, with their spending capped at HK\$6 million each. This arrangement heavily favours establishment forces, which hold roughly 300 out of the 405 directly elected District Council seats—the remaining 129 out of the total 534 councillors being mostly government appointees—and can command unlimited financial resources.

Given these arrangements, Beijing's concession is not likely to create a new political landscape in 2012. But it does introduce a measure of unpredictability into the next LegCo election, as no one can guarantee that the five new quasi-directly elected seats will be dominated by the Beijing-business coalition. The introduction of political uncertainty—

never the CCP's preference—means that the revised political reforms for 2012 represent a real concession, however small. On the other hand, the immediate consequence of the June compromise is that Beijing has successfully defused, or at least temporarily curbed, the mounting popular mobilization and increasing influence of the radical Democrats. It has also created a deep cleavage between the radical Democrats, who see Beijing's concession as too small to be significant, and have denounced the DP's secret negotiations and compromises as a sell-out, and the DP, which has tried to portray the June deal as a crucial step forward and to claim all the credit for it.

It remains unclear whether Beijing will eventually deploy its abundant resources to neutralize whatever advantages the Democrats might obtain from the reform, or whether the radical Democrats will regroup after a brief hiatus and push strongly for more concessions from Beijing. The outcome will have serious implications for political developments in mainland China. The Hong Kong Democrats, moderate and radical alike, consciously see Hong Kong's democratic movement as part and parcel of China's, since their local antagonist, the CCP–business alliance, is after all an extension of the ruling bureaucratic capitalist elite in Beijing. In the midst of all uncertainties generated by the struggles over political reform for 2012, what is certain is that Hong Kong's democratic movement has successfully shed its political timidity, and is now willing to use confrontational tactics. The success of the radical Democrats in forcing Beijing to offer an unexpected concession demonstrates that popular mobilization against Hong Kong's ruling coalition is not always futile. It may have opened a crack in the armour of an authoritarian capitalist regime that appears to be impregnable elsewhere.

New from Princeton



Blessed Are the Organized

Grassroots Democracy in America

Jeffrey Stout

"This engaging book makes a significant contribution to the ongoing discussion of the character and future of American democracy. It introduces readers to a long-standing and effective community organizing movement, and offers a hopeful but realistic assessment of what could happen if this model were implemented more widely and consistently"

—Robin W. Lovin, Southern Methodist University

Cloth \$29.95 978-0-691-13586-1



The Propriety of Liberty

Persons, Passions, and Judgement in Modern Political Thought

Duncan Kelly

"This deep, rich, and original book carves out a distinctive approach to freedom which will reshape the current contours of inquiry. In addition, it offers fresh and subtle interpretations of selfhood and self-ownership, and of the relationships between passions, persons, publicity, and judgment."

—Hannah Dawson, University of Edinburgh

Cloth \$39.50 978-0-691-14313-2



PRINCETON UNIVERSITY PRESS

609.777.1120
press.princeton.edu

MICHAEL DENNING

WAGELESS LIFE

UNDER CAPITALISM, THE only thing worse than being exploited is not being exploited. Since the beginnings of the wage-labour economy, wageless life has been a calamity for those dispossessed of land, tools and means of subsistence. Expelled from work, the wageless also became invisible to science: political economy, as Marx noted in the earliest formulations of his critique of the discipline, 'does not recognize the unemployed worker': 'The rascal, swindler, beggar, the unemployed, the starving, wretched and criminal workingman—these are figures who do not exist for political economy but only for other eyes, those of the doctor, the judge, the gravedigger, and bum-bailiff, etc; such figures are spectres outside its domain.' These days, Marxism—more often seen as an example of political economy than as its critique—and other labour-based analyses face the same objection. Understandings built upon wage labour cannot, we are told, account for the reality lived by the most numerous and wretched of the world's population: those without wages, those indeed without even the hope of wages. Bare life, wasted life, disposable life, precarious life, superfluous life: these are among the terms used to describe the inhabitants of a planet of slums. It is not the child in the sweatshop that is our most characteristic figure, but the child in the streets, alternately predator and prey.

In face of this situation, neither of the classic Marxist designations for the wageless—the reserve army of labour or the lumpenproletariat—seems adequate. For some, only a theory of citizenship and exclusion from it, or rights and their absence, can capture this reality: to speak of labour is to speak of the already enfranchised. Others have turned to a biopolitics or necropolitics of bare existence. Neither of these alternatives is persuasive. Though the struggle for social and cultural inclusion as well as political citizenship is vital in a world of *sans-papiers*, too often the theoretical battles over citizenship and human rights remain caught in fantasies of sovereignty. On the other hand, the rhetoric of life and

death sometimes has a false immediacy, seeing a state of exception or emergency in what is unfortunately a state of normality. To speak repeatedly of bare life and superfluous life can lead us to imagine that there really are disposable people, not simply that they are disposable in the eyes of state and market.

Moreover, bare life is not without practical activity. A critical account of living and making a living under capitalist imperatives must, I believe, begin not from the accumulation of capital but from its other side, the accumulation of labour. They are, dialectically, the same: as Marx put it, 'Accumulation of capital is therefore multiplication of the proletariat'.² But to approach the issue from the point of view of capital is, as Hegel and Marx might put it, one-sided. A number of contemporary critics of political economy have noted this imbalance. Michael Lebowitz argues that Marx's book on capital was meant to be accompanied by one on wage labour; in *The Limits to Capital*, David Harvey describes 'Marx's rather surprising failure to undertake any systematic study of the processes governing the production and reproduction of labour power itself' as 'one of the most serious of all the gaps in Marx's own theory'.³

In what follows, I will suggest that we need a similar reversal regarding wage labour. Wageless life has almost always been seen as a situation of lack, the space of exclusion: the *unemployed*, the *informal*. I do not claim to solve this semantic problem: my own working vocabulary—the *wageless*—is a parallel construction. However, I want to insist that we decentre wage labour in our conception of life under capitalism. The fetishism of the wage may well be the source of capitalist ideologies of freedom and equality, but the employment contract is not the founding moment. For capitalism begins not with the offer of work, but with the imperative to earn a living. Dispossession and expropriation, followed by the enforcement of money taxes and rent: such is the idyll of 'free labour'. In those rare moments of modern emancipation, the freed people—

¹ Karl Marx and Frederick Engels, *Collected Works*, New York 1975ff (hereafter MECW), Volume 3, p. 284. This essay was originally written as part of the Yale Working Group on Globalization and Culture. I would like to thank the other members for their suggestions and criticisms, and Achille Mbembe for his response to an earlier text at the Wits Institute for Social and Economic Research, University of the Witwatersrand, South Africa, 22 February 2006.

² Karl Marx, *Capital*, vol. 1, Harmondsworth 1976, p. 764.

³ Michael Lebowitz, *Beyond Capital: Marx's Political Economy of the Working Class*, New York 2003; David Harvey, *The Limits to Capital*, Chicago 1982, p. 163.

from slavery, serfdom and other forms of coerced labour—have never chosen to be wage labourers. There may be a ‘propensity to truck, barter and exchange one thing for another’, as Adam Smith put it, but there is clearly no propensity to get a job.

Rather than seeing the bread-winning factory worker as the productive base on which a reproductive superstructure is erected, imagine the dispossessed proletarian household as a wageless base of subsistence labour—the ‘women’s work’ of cooking, cleaning and caring—which supports a superstructure of migrant wage seekers who are ambassadors, or perhaps hostages, to the wage economy. These migrations may be short in distance and in interval—the daily streetcars or buses from tenement to factory, apartment block to office, that will come to be called ‘commuting’—or they may be extended to the yearly proletarian globe-hopping of seasonal workers by steamship, railroad and automobile, as well as the radical separation of airborne migration linked by years of remittances and phone calls. Unemployment precedes employment, and the informal economy precedes the formal, both historically and conceptually. We must insist that ‘proletarian’ is not a synonym for ‘wage labourer’ but for dispossession, expropriation and radical dependence on the market. You don’t need a job to be a proletarian: wageless life, not wage labour, is the starting point in understanding the free market.

Emergence of unemployment

In this essay, I want to explore the lineaments of wageless life over the past century by offering a genealogy of two key representations which not only name and seek to regulate it, but draw a dramatic line between its conceptions in capitalism’s imperial metropolises and its periphery: the figures of unemployment and the informal sector. The former was the founding trope of twentieth-century social democracy, invented in the midst of the great economic crises which gripped the industrial capitalisms of the North Atlantic and reverberated across their colonial territories. It displaced a host of earlier conceptions of the poor, the idle and the dangerous, and became a central part of state and popular discourse through the next century, particularly during the moments of mass unemployment: the Great Depression of the 1930s and the Great Recession of the 1970s. On the other hand, the term ‘informal sector’ was coined in the early 1970s to reckon with the mass of wageless life in the newly independent Third World, which seemed to escape the

categories of employment and unemployment alike. It too displaced earlier conceptions—perhaps most notably that of the lumpenproletariat figured by Frantz Fanon's *Wretched of the Earth*—and continues to be part of official and unofficial discourse.

An older institutional history might say that the welfare state was created in response to unemployment: the spectre of the unemployed returns with every depression and recession, as illustrators and photographers try to represent the absence of work in icons ranging from Victorian cartoonist Tom Merry's 'The Meeting of the Unemployed' to Dorothea Lange's 'White Angel Breadline'. But a more recent biopolitical history suggests that the emerging social state invented unemployment in the process of normalizing and regulating the market in labour.⁴ The word itself emerged just when the phenomenon became the object of state knowledge production in the long economic downturn of the 1880s and 1890s. The term was first used in English in 1887, when the chief of Massachusetts's Bureau of Labor Statistics, Carroll D. Wright, attempted to count the unemployed, triggering a statistical practice that became central to the modern state, and by the following decade was in common use. The earliest theoretical treatment, the 1895 article 'The Meaning and Measure of "Unemployment"' by the liberal economist J. A. Hobson (best known for his influential analysis of imperialism), set the agenda for a century of debate: how does one define and measure it? The French word for unemployed, *chômeur*, dates from the same era, and the German equivalent, *Arbeitslosigkeit*, was rarely used before the 1890s. Indeed, as John Garraty, the author of the still-standard *Unemployment in History*, points out, Marx himself did not use the expression. In *Capital*, as well as in the passage from the 1844 manuscripts quoted earlier, Marx writes of *die Unbeschäftigten*—the not-busy, the unoccupied in one English translation—rather than *die Arbeitslosen*, the contemporary term for the unemployed.⁵

⁴ Biopolitical readings of unemployment are in a way the product of the intellectual upheaval triggered by the third wave of mass unemployment; two landmark texts both date from 1986: Robert Salais, *L'invention du chômage: histoire et transformations d'une catégorie en France des années 1890 aux années 1980*, Paris 1986, and Alexander Keyssar, *Out of Work: The First Century of Unemployment in Massachusetts*, Cambridge 1986. See also Christian Topalov, *Naissance du chômeur: 1880–1910*, Paris 1994. A more recent study that draws on this work is William Walters, *Unemployment and Government: Genealogies of the Social*, Cambridge 2000.

⁵ John Garraty, *Unemployment in History*, New York 1978, pp. 109, 4; J. A. Hobson, 'The Meaning and Measure of "Unemployment"', *Contemporary Review* 67, March 1895.

The modern notion of unemployment depended on the normalization of employment, the intricate process by which participation in labour markets is made ordinary. As employers make rules, workers insist on customary practices, while courts, legislatures and factory inspectors set standards. 'The creation of a normal working day [*ein Normalarbeitstag*]', Marx argued, 'is, therefore, the product of a protracted civil war, more or less dissembled, between the capitalist class and the working class.' Indeed, he insisted that: 'in place of the pompous catalogue of the "inalienable rights of man" comes the modest Magna Carta of a legally limited working day.'⁶

Normalizing employment made possible the normalization of unemployment in at least three senses. First, to be unemployed was to lose one's usual employment—and indeed the first forms of unemployment protection came from trade unions that tried to maintain the going wage rate by offering members out-of-work benefits. In his discussion of unemployment and government William Walters proposes that 'the status of "out-of-work" was actually invented by trade unionism'. The second form of normalization arose as the wageless began to meet and march as the unemployed. The canonical starting point is the famous February 1886 London riot. A Tory-led Fair Trade League had called a meeting of the unemployed in Trafalgar Square that attracted 20,000 jobless building- and dock-workers; when the Social Democratic Federation led part of the crowd down Pall Mall, windows were smashed, shops were looted and London, according to *The Times*, was in a panic. Similar demonstrations continued and grew through 1887, culminating that November in Bloody Sunday, the protest against coercion in Ireland, in which police attacked demonstrators and three were killed.⁷

Finally, unemployment was integrated into the work of turn-of-the-century theorists such as Hobson and William Beveridge, who argued that it was not a matter of individual depravity or idleness but was a normal and unavoidable aspect of industrial society. 'Personal causes, no doubt, explain in a large measure who are the individuals that shall represent the 10 per cent "unemployed"', Hobson argued, 'but they are in no true sense even

⁶ Marx, *Capital*, pp. 303, 307.

⁷ Walters, *Unemployment*, p. 18. See also Gareth Stedman Jones, *Outcast London*, New York 1984, pp. 291–6. In his letters Engels was very critical of the SDF's 'bunkum about social revolution'. His characterization of their procession as merely comprised of 'idlers, police spies and rogues' is one of the classic passages on the lumpenproletariat; MECW 47, pp. 407, 408.

contributory causes of "unemployment". These analyses built on the earlier notion that capitalism created a reserve army of labour, a concept often taken to be distinctively Marxist since it appears in *Capital's* discussion of capitalism's relative surplus population. However, Marx was simply adopting the rhetoric of the British labour movement. Radicals, particularly the Chartists and Fourierist associationists, imagined the new factory workers as great industrial armies, and this common trope led the Chartist leader Bronterre O'Brien to write of a reserve army of labour in the *Northern Star* in 1839. The young Engels picked up that image in *The Condition of the Working Class in England* in 1844, and Marx would invoke the metaphor occasionally, distinguishing between the active and reserve armies of the working class. By the end of the nineteenth century, it was part of the commonsense understanding of unemployment: by 1911, even the Massachusetts Bureau of Statistics of Labor could conclude that, 'however prosperous conditions may be, there is always a "reserve army" of the unemployed'.⁸

Risk and relief

This normalization of unemployment was the basis for the great social-democratic techniques that sought to contain the spectre of wageless life. The first moment was characterized by an initial conceptualization of unemployment as an insurable risk, an accident like illness, fire, theft or death. This was the basis of Britain's National Insurance Act of 1911, the first government programme of its kind. Imitating Bismarck's regime of welfare provision, the Asquith government created a state-managed fund to insure workers against unemployment. However, the logic of insurance fails in cases of collective disaster, when there are too many accidents all at once. And thus it was the mass unemployment during the Great Depression of the 1930s that made clear the limits of such safety-nets. A new generation of unemployed movements emerged, usually led by young communist militants, such as the *Comités des Chômeurs* in France or the Unemployed Councils in the United States, where a third of the population was out of work. The most celebrated street processions and eviction protests were in these industrial heartlands—the 1930 Wall Street riot, the Ford hunger march two years after, the Lille-to-Paris hunger march in late 1933—but there were similar demonstrations in the colonies as well, such as the 1933 hunger march in Jamaica.

⁸ Hobson quoted in Walters, *Unemployment*, p. 32. See also Stedman Jones, *Languages of Class*, Cambridge 1983, p. 159. Massachusetts Bureau quoted in Keyssar, *Out of Work*, p. 72.

The subsequent Keynesian reconceptualization of unemployment as an economic indicator subject to national macroeconomic fine-tuning became the basis for the post-WWII welfare states, which imagined a full-employment economy. For two decades, it appeared as if mass unemployment was a thing of the past. However, the Great Recession of the 1970s in Europe and North America marked the return of the spectre of wageless life, now under the sign of redundancy—the permanent shuttering of plants as entire regions underwent an Industrial Counterrevolution. A new wave of movements arose, particularly in France in the winter of 1997–98. As in the 1930s, deindustrialization is often understood to be a First World phenomenon, but, as we will see, it took place in rust belts around the globe like Ahmedabad, the Manchester of India.

But for some theorists, deindustrialization marked the end of unemployment as a political and conceptual tool. Among those arguing that we had reached the end of work was Ulrich Beck, the German theorist of neoliberalism's risk society, who pointed to the shift from a 'uniform system of lifelong full-time work organized in a single industrial location, with the radical alternative of unemployment, to a risk-fraught system of flexible, pluralized, decentralized underemployment, which, however, will possibly no longer raise the problem of . . . being completely without a paid job.'⁹ Neoliberal economists insisted that involuntary joblessness did not even exist; unemployment was either a choice for the marginal utility of leisure, or a temporary blockage of the labour market caused by high wages made too sticky by union monopoly and the state's minimum wage.

It is also worth noting the great weakness of the social-democratic normalization of employment and unemployment. It constituted a normal subject: the wage earner. As a result, much of capitalism's multitude was unrecognizable to a labour movement that had been reconstituted by state apparatuses into an employment movement, the agent of wage-earners divided into collective-bargaining units. Across society, there were many who lived outside typical employment and unemployment—women working in their own households, deindustrialized and disinvested communities without wages, those subjected to racial codes, even wage-earners in officially unrecognized industries and workplaces (in the US, for example, domestic, agricultural and academic workers not covered by the National Labor Relations Board). As

⁹ Ulrich Beck, *Risk Society*, London 1992, p. 143.

a generation of feminist critics of the welfare state argued, this led to a gendered and unjust bifurcation of social security. Working-class households and neighbourhoods were divided between the independent, characteristically male, subjects of social insurance, and the dependent, characteristically female, subjects of social relief. One arm of the state apparatus insured and secured the normative male breadwinner against the risk of involuntary unemployment; another arm tested the ways and means of women raising children, before doling out a stigmatized relief. If the social-democratic conception of unemployment broke with the nineteenth-century rhetoric of the Poor Laws by understanding it as systemic rather than individual, as a waste of social labour rather than a malingering of the idle and dissolute, it also drew a stark and ideological line across the working multitude.

Favelas and bidonvilles

If unemployment dominated the imagination of the capitalist states of the West, it was not to be the governing concept in the development discourse of the post-colonial states. Here the spectre of wageless life in the sprawling shanty towns and *favelas* of Asia, Africa and Latin America overwhelmed any clear divide between employed and unemployed. Wageless life was not a temporary accident that might be insured against, nor a macroeconomic failure of aggregate demand; it appeared to be the main mode of existence in a separate, almost autonomous, economy.

The idea of the informal sector emerged following two decades of extraordinary Third World migration to cities, in which the urban working population doubled between 1950 and 1970. Colonial and settler-colonial regimes, as well as the plantation economies of the Americas, had restricted and even criminalized migration to the city; thus many mid-century revolts were based on the insurgency of peasants and rural agricultural workers. But in the wake of national liberation, 'the poor', as Mike Davis put it, 'eagerly asserted their "right to the city", even if that meant only a hovel on its periphery'.¹⁰ New forms of livelihood and struggle emerged out of the great squatter cities of the 1950s, and even before the development economists and sociologists had named the informal sector, filmmakers represented the wageless life of the new shanty towns in films that became paradigmatic for the rest of the century. Marcel Camus's *Black Orpheus* (1959), which launched the

¹⁰ Mike Davis, *Planet of Slums*, London 2006, p. 55.

first World Music—*bossa nova*—out of a mythic romanticization of Rio's *favelas* during carnival; and Gillo Pontecorvo's *Battle of Algiers* (1966), which lastingly portrayed the anti-colonial Algerian revolution not as the peasant war it was but through the epic metonymy of the defeated urban insurrection of 1956–57.

The first great theoretical engagement with this new form of wageless life also came out of a reflection on the Algerian revolution: Frantz Fanon's revival of the nineteenth-century Marxist word 'lumpenproletariat' in *The Wretched of the Earth*. Coined by Marx in the 1840s as one of a family of terms—the lumpenproletariat, the mob, *i lazzaroni*, *la bohème*, the poor whites—it characterized the class formations of Second Empire Paris, Risorgimento Naples, Victorian London and the slave states of North America. In most cases, Marx even used the original language to suggest the historical specificity of these formations rather than the theoretical standing of the concept. For him, such expressions had two key connotations: on the one hand, of an unproductive and parasitic layer of society, a social scum or refuse made up of those who preyed upon others; on the other hand, of a fraction of the poor that was usually allied with the forces of order—as in the account of Louis Napoleon's recruitment of the lumpenproletariat in *The Eighteenth Brumaire*, or Marx's analysis of the slaveholders' alliance with poor whites in the US South.

In these formulations, Marx had two antagonists. First, he was combating the established view that the entire working class was a dangerous and immoral element. He drew a line between the proletariat and the lumpenproletariat to defend the moral character of the former. Second, he was challenging those—particularly his great anarchist ally and adversary Bakunin—who argued that criminals and thieves were a revolutionary political force.²² By the mid-twentieth century, the concept of the lumpenproletariat had pretty much disappeared from socialist and Marxist discourse. However, its reinvention in *The Wretched of the Earth* to describe the entirely new urban populations of the Third World made it one of the key stakes in the theoretical debates of the 1960s and 1970s. The discussion of the lumpenproletariat comes primarily in the book's second essay, 'Spontaneity: Its Strength and Weakness', in which Fanon delineates the contradictions of the anti-colonial coalition, as urban nationalist militants turn to the peasant masses. He makes

²² See Hal Draper, *Karl Marx's Theory of Revolution*, vol. 2, New York 1978, ch. 15 and appendix G: 'On the Origin of the Term Lumpenproletariat'.

three powerful and controversial claims. The first is a sociological one about the emergence of a new dispossessed population, the people of *les bidonvilles*: 'Abandoning the countryside . . . the landless peasants, now a lumpenproletariat, are driven into the towns, crammed into shanty towns and endeavour to infiltrate the ports and cities, the creations of colonial domination'; 'These men, forced off the family land by the growing population in the countryside and by colonial expropriation, circle the towns tirelessly, hoping that one day or another they will be let in.' Fanon resorts to biological metaphors: 'The shanty town is the consecration of the colonized's biological decision to invade the enemy citadels at all costs, and, if need be, by the most underground channels.' It is an 'irreversible rot', a 'gangrene eating into the heart of colonial domination'. 'However hard [this lumpenproletariat] is kicked or stoned it continues to gnaw at the roots of the tree like a pack of rats.'¹²

Secondly, Fanon, like Marx, argues that this lumpenproletariat is readily manipulated by the repressive forces of colonial order—if it is not 'organized by the insurrection, it will join the colonialist troops as mercenaries'—and gives examples from Madagascar, Algeria, Angola and the Congo. Thirdly, and most famously, against the accepted wisdom of both nationalist and communist movements, he insists that

it is among these masses, in the people of the shanty towns and in the lumpenproletariat that the insurrection will find its urban spearhead. The lumpenproletariat, this cohort of starving men, divorced from tribe and clan, constitutes one of the most spontaneously and radically revolutionary forces of a colonized people . . . These jobless, these species of subhumans, redeem themselves in their own eyes and before history.¹³

Birth of informality

Fanon's appropriation of the nineteenth-century term fuelled political debates throughout the 1960s. Virtually all the pioneering studies of labour in the Third World addressed his formulation: Pierre Bourdieu on work and workers in Algeria; Ken Post on the Jamaican labour uprisings of the 1930s; Charles van Onselen on everyday life on the Witwatersrand. Development economists and sociologists struggled to name the new reality that Fanon identified. In his landmark history of

¹² Frantz Fanon, *The Wretched of the Earth*, New York 2004, pp. 66, 81.

¹³ Fanon, *Wretched of the Earth*, pp. 87, 81–2.

the economic development of the Third World, Paul Bairoch argued that 'concepts of unemployment and underemployment as they have been formulated in the West cannot be applied . . . except in a very crude and approximate way.'¹⁴ Working in a social-democratic tradition, the Jamaican economist W. Arthur Lewis developed an influential model of the colonial 'dual economy' in the early 1950s. By the mid-1960s, the Argentine Marxist economist José Nun's concept of the marginal mass had provoked an important debate.

The phrase that came to dominate official discourse—the 'informal sector'—was coined in the early 1970s by a British development economist, Keith Hart, who was studying the communities of Frafra migrants from northern Ghana living in the Nima shanty town on the northern outskirts of the old city of Accra. 'A very large part of the urban labour force is not touched by wage employment', Hart wrote. He went on to outline the forms of 'self-employment' that made up the means of livelihood of Nima slum-dwellers: 'the distinction between formal and informal income opportunities is based essentially on that between wage-earning and self-employment.' The term was quickly adopted by the International Labour Organization in a 1972 study of employment in Kenya. Twenty years later the ILO had developed standards for the statistical measurement of the informal sector, and there were distinct debates not only in Anglophone Africa, but also in South Asia and Latin America. The 'informal sector' became the master trope for representing wageless life in cities around the world. According to the ILO 'informal employment comprises one half to three-quarters of non-agricultural employment in developing countries': 48 per cent in North Africa, 51 per cent in Latin America, 65 per cent in Asia and 72 per cent in sub-Saharan Africa. Moreover, 'three types of non-standard and atypical work—self-employment, part-time work, and temporary work—comprise 30 per cent of overall employment in 15 European countries and 25 per cent of total employment in the United States.' By the end of the century, the informal economy (as it had been renamed) had been made visible not only in Accra and Nairobi but in Los Angeles and Moscow.¹⁵

¹⁴ Paul Bairoch, *The Economic Development of the Third World since 1900*, Berkeley 1975, p. 165.

¹⁵ Keith Hart, 'Informal Income Opportunities and Urban Employment in Ghana', *Journal of Modern African Studies*, vol. 11, no. 1, March 1973, pp. 62, 68; Paul E. Bangasser, *The ILO and the Informal Sector*, ILO Employment Paper 2000/9, p. 10; and ILO, *Women and Men in the Informal Economy*, Geneva 2002, p. 7.

In his essay on Accra, Hart launched the debate about informal wageless life that has continued ever since: 'It is generally understood that growing residual underemployment and unemployment in the cities of developing countries is "a bad thing". But why should this be so? In what way precisely does this phenomenon constitute a *problem*?' His question might be seen as the beginning of the normalization of the informal economy. Earlier models of the dual economy had treated it as the 'bad' legacy of colonialism's incomplete modernization, a transitional moment on the way to formal employment and unemployment. These states had inherited colonial labour apparatuses that had tried to discipline and regularize casual work. And, indeed, the mid-century era of import-substitution industrialization did see the growth of formal-sector employment in Latin America and even in some parts of Asia and Africa; the emergence of new armies of organized industrial workers gave rise to the great labour uprisings of South Africa, Brazil and South Korea. However, by the 1970s the growth of such jobs had stalled, and the discourse that named the informal sector saw it as a normal—indeed under neoliberalism, expanding—sphere of economic activity, part of the logic of post-colonial capitalist accumulation.¹⁶

Just as the definition of unemployment in the late nineteenth century had depended on a new understanding of the economy, so the discovery of the informal sector depended on a sense of the state's formal wage-labour apparatuses, which set minimum wages and maximum hours and provided unemployment insurance and social security. It was not the size of the enterprise that characterized the informal sector, nor the form of the labour process, but its relation to the state. The central issue then becomes the strength or weakness of the state: for some, informal economies develop when states regulate too much, driving economic activity to an underground, unregulated, untaxed world; for others, they are a product of weak or failed states, unable to provide social protections to their citizens and enforce rules or collect taxes. Neoliberal critics of state regulation have tended to celebrate the entrepreneurial gusto of the informal sector, its micro-enterprises that need only micro-credit to thrive. Defenders of social democratic welfare states have advocated the formalization of the informal: the extension of social protections and representation in unions.

¹⁶ Hart, 'Informal Income Opportunities', p. 81. See also Alejandro Portes and Kelly Hoffman, 'Latin American Class Structures: Their Composition and Change during the Neoliberal Era', *Latin American Research Review*, vol. 38, no. 1, February 2003.

Organizing in Ahmedabad

At the same time as development economists like Hart were discovering the informal sector, the first major organization of informal-sector workers took shape. In 1972, an activist in the Gandhian Textile Labour Association, Ela Bhatt, began to bring together the women head loaders and street vendors of the Gujarat mill town of Ahmedabad into a union, the Self-Employed Women's Association. She had been assigned to survey families affected by the closure of two major textile mills.

While the men were busy agitating to reopen the mills . . . it was the women who were earning money and feeding the family. They sold fruits and vegetables in the streets; stitched in their homes at piece-rate for middlemen; worked as labourers in wholesale commodity markets, loading and unloading merchandise; or collected recyclable refuse from city streets . . . jobs without definitions. I learned for the first time what it meant to be self-employed. None of the labour laws applied to them; my legal training was of no use in their case.

'Ironically', she recalls three decades later, 'I first glimpsed the vastness of the informal sector while working for the formal sector.'¹⁷

Over the next thirty years, SEWA became a cluster of three types of membership-based organizations of the poor: first, a union—by 2004, the largest primary union in India—of a variety of informal trades—rag pickers, home-based *chindi* and garment stitchers, *bidi* rollers, vegetable vendors—bargaining with buyers, contractors and municipal authorities over piece-rates and pavement space; second, a coalition of dozens of producer co-operatives, producing shirt fabrics, recycling waste paper and cleaning offices; and third, several institutions of mutual assistance and protection, including a SEWA bank and health cooperatives, organized around midwives who were themselves part of the informal sector.

A key part of its history has been a struggle over representation. 'When someone asks me what the most difficult part of SEWA's journey has been', Bhatt writes,

I can answer without hesitation: removing conceptual blocks. Some of our biggest battles have been over contesting preset ideas and attitudes of

¹⁷ Ela Bhatt, *We Are Poor but So Many: The Story of Self-Employed Women in India*, Oxford 2006, p. 89.

officials, bureaucrats, experts and academics. Definitions are part of that battle. The Registrar of Trade Unions would not consider us 'workers'; hence we could not register as a 'trade union'. The hard-working *chindi* workers, embroiderers, cart pullers, rag pickers, midwives and forest-produce gatherers can contribute to the nation's gross domestic product, but heaven forbid that they be acknowledged as workers! Without an employer, you cannot be classified as a worker, and since you are not a worker, you cannot form a trade union. Our struggle to be recognized as a national trade union continues.¹⁸

SEWA rejected the rhetoric of the informal sector that dominated official discourse: 'dividing the economy into formal and informal sectors is artificial', Bhatt argues, 'it may make analysis easier, or facilitate administration, but it ultimately perpetuates poverty': 'to lump such a vast workforce into categories viewed as "marginal", "informal", "unorganized", "peripheral", "atypical", or "the black economy" seemed absurd to me. Marginal and peripheral to what, I asked . . . In my eyes, they were simply "self-employed".' Indeed the women street vendors who were among the first to build SEWA called themselves traders.¹⁹

This rhetoric of self-employment drew on the ideologies of the Gandhian wing of Indian trade unionism from which SEWA emerged, and it has been adopted by other organizations of wageless workers, notably the Durban-based South African Self-Employed Women's Union founded in the mid-1990s. However, in retrospect, it seems to have been a nominal place-holder, as SEWA took as one of its key tasks the representation of a world of wageless work which was invisible to the labour apparatuses of the state. When SEWA organized the women who stitched *chindi*—fabric scraps discarded by textile mills—into *khols* (quilt covers) in the late 1970s, they began by depicting them, in spite of their scepticism:

in order to better understand the problems of *chindi* workers, we decided to conduct a survey in the seven *poles*, or streets, where most of the *khols* were stitched. Karimaben [one of the militant workers] had no patience for a survey. She complained, 'We all know exactly what the problem is. Let me tell you that I spend more on a *khol* than I earn from making it'.

Nonetheless, SEWA insisted on 'proceeding methodically and conducting a survey', reporting the findings to the *chindi* workers, and using them to fight for an increase in piece-rates both to *khol* traders and Labour Department officials. Surveys, Bhatt argues, 'have served SEWA well over

¹⁸ Bhatt, *We Are Poor*, p. 17–8.

¹⁹ Bhatt, *We Are Poor*, pp. 18, 10, 11.

TABLE I. *SEWA Membership in Gujarat*

Year	Total	Vendors		Home workers		Labourers		Producers	
		% of total		% of total		% of total		% of total	
1975	3,850	825	21	950	25	2,075	54	-	-
1980	4,934	950	19	1,934	39	2,050	42	-	-
1985	15,741	2,472	16	8,464	54	4,805	31	-	-
1990	25,911	3,230	12	13,821	53	6,700	26	2,160	8
1995	158,152	11,515	7	55,114	35	73,768	47	17,755	11
2000	205,985	18,759	9	72,156	35	105,811	51	9,259	4
2002	535,674	39,460	7	141,458	26	314,245	59	40,511	8
2003	469,306	42,745	9	105,439	22	298,761	64	22,361	5
2004	468,445	28,575	6	85,976	18	313,814	67	40,080	9

Source: Chen, *Self-Employed Women*, p. 14.

the years. They help us gain a thorough understanding of the issues before taking any action, and the process helps us identify potential leaders in the community.²⁰ These studies have given a much more complex view of the world of the self-employed. By 2004, SEWA's research had divided its members into more than eighty occupations in four main categories: street vendors and hawkers, home-based producers, labourers and service providers, and rural producers.²¹ Table 1 shows the growth of each of these categories since the 1970s: notice how the most visible group—the street vendors who make up about two per cent of urban India—were a major part of the early SEWA, before dropping off proportionally.

After beginning in the cities, the organization of rural producers and agricultural labourers took off in the 1990s. Two-thirds of their members are not so much self-employed as what Jan Breman has called 'wage hunters and gatherers', casual labourers and service providers who work for others in the intricate disguises of contracted and piece-rate jobs.²²

²⁰ Bhatt, *We Are Poor*, p. 63.

²¹ Martha Alter Chen, *Self-Employed Women: A Profile of SEWA's Membership*, Ahmedabad 2006, p. 12.

²² Jan Breman, *Wage Hunters and Gatherers: Search for Work in the Urban and Rural Economy of South Gujarat*, Delhi 1994.

TABLE 2. *SEWA Membership in Gujarat by Occupation, 2004*

Trade Group	% of total membership	
<i>Vendors & Hawkers</i>	28,575	6
Fruit & vegetable	21,553	5
Utensils and old clothes	2,252	<1
Other	4,770	1
<i>Home workers</i>	85,976	18
Embroiderers	26,782	6
Garment makers	20,878	4
Bidi rollers	15,478	3
Agarbati rollers	8,928	2
Kite makers	2,576	1
Other	11,334	2
<i>Labourers & Service providers</i>	313,814	67
Agricultural labourers	227,345	49
Tobacco workers	20,421	4
Waster pickers	20,165	4
Casual day labourers	14,732	3
Construction workers	11,673	3
Cleaners	6,741	1
Contract factory workers	3,950	1
Head loaders	3,259	1
Other	5,528	1
<i>Rural producers</i>	40,080	9
Milk producers	14,247	3
Animal rearers	10,867	2
Small farmers	9,281	2
Gum collectors	1,425	<1
Salt makers	3,288	1
Other	972	<1
Total	468,445	

Source: Chen, *Self-Employed Women*, p. 16.

A more specific breakdown in 2004 (Table 2, above) shows not only the variety of informal trades—from vegetable vendors, waste pickers to head loaders—but the overwhelming numbers of agricultural labourers.

Thus, organizations of workers in the so-called informal sector have mapped their world less by its relation to a formal state-regulated economy than by its workplaces, particularly the street and the home. When SEWA pioneered transnational alliances of informal-workers associations in the 1990s, they did so by creating StreetNet and HomeNet. Increasingly, the two key representations of informalized workers in both official discourse and popular culture are the street vendor and the home-based worker.

Wandering the market

What can we conclude from this genealogy of representations of wageless life? It seems clear that neither of the great twentieth-century terms—unemployment and the informal sector—remain adequate, not least because of their segregation to specific zones of the capitalist world system; even the scholarly literatures on them barely speak to each other. This sense of conceptual exhaustion also applies to their traditional Marxist analogues: the socialist adoption of Marx's 'industrial reserve army', and the anti-colonial adoption of Fanon's re-figuring of the lumpenproletariat. But what alternatives do we have?

As I suggested earlier, two types of metaphor seem to dominate our contemporary imagination. The first points to the insecurity of many kinds of contemporary work: we speak of casualization, informalization and the proliferation of temporary and precarious jobs. In 1999, the ILO—long a site of struggle over forms of representation of work, its 1996 convention on home-based work the product of a protracted battle led in part by SEWA—tried to cut across the formal–informal divide by characterizing such work as vulnerable, against which they called for decent work. This demand is both a retreat—a recognition that formal labour regulation does not touch the majority—and an advance—an argument for social protections and labour rights for the vulnerable. In the face of the many still-pompous invocations of inalienable human rights, one might note that we still await the modest Magna Carta of decent work.

A second metaphor goes further, suggesting that we have passed a historical watershed, the end of work as we have known it. Work, we are

told, has lost its centrality to life; wageless life is workless, wasted life. Noting the dramatic break in popular discourse between the rhetoric of unemployment and that of redundancy, Zygmunt Bauman writes that “redundancy” shares its semantic space with “rejects”, “wastrels”, “garbage”, “refuse”—with *waste*. The destination of the unemployed, of the “reserve army of labour”, was to be called back into active service. The destination of waste is the waste-yard, the rubbish heap’. ‘The production of “human waste”, or more correctly wasted humans . . . is an inevitable outcome of modernization’; ‘refugees, asylum seekers, immigrants’ are ‘the waste products of globalization’.²³

Bauman’s apocalyptic denunciation of our culture of waste is powerful, but it misses the mark for two reasons. First, in its overly glib linking of material waste and human waste, it repeats one of the oldest tropes regarding the wageless—that they are akin to garbage, rubbish. Such metaphors run throughout this literature: early on Hobson characterized unemployment as waste; Marx was not immune, referring to the lumpenproletariat as refuse in *The Eighteenth Brumaire*. And indeed there is a connection: for those without wages have long worked as scavengers. As I noted earlier, not only are waste pickers a significant part of SEWA, but many of their trades, like the *chindi* stitchers, were built out of the by-products of the textile industry. In March 2008, the first international conference of waste-pickers’ organizations was held in Bogotá.

That globalization produces redundancy would be better understood not through the deceptively concrete image of wasted lives, but through Marx’s two dialectically related concepts: the relative surplus population and the virtual pauper. The one is from *Capital*; the other from the *Grundrisse*. In the key chapter on ‘The General Law of Capitalist Accumulation’ in *Capital*, Marx views the problem from the vantage point of capital: ‘it is capitalist accumulation itself that constantly produces, and produces indeed in direct relation with its own energy and extent, a relatively redundant working population, i.e. a population which is superfluous to capital’s average requirements for its own valorization, and is therefore a surplus population.’ He continues: ‘this is a law of population peculiar to the capitalist mode of production; and in fact every particular historical mode of production has its own special laws of population’. Indeed, ‘the relative surplus population exists in all

²³ Zygmunt Bauman, *Wasted Lives*, Cambridge 2004, pp. 12, 5, 66.

kinds of forms. Every worker belongs to it during the time when he is only partially employed or wholly unemployed.' The industrial reserve army is thus merely one of these forms; in fact, as might be expected, Marx's specific examples of the relative surplus population are the most dated part of his analysis.²⁴

The fundamental metaphor in Marx's account is that of opposing forces: it is not as if there are two kinds of workers, employed and unemployed, or two sectors of the economy, formal and informal; rather, there is a process in which 'greater attraction of workers by capital is accompanied by their greater repulsion . . . the workers are sometimes repelled, sometimes attracted again in greater masses'. The 'higher the productivity of labour, the greater is the pressure of the workers on the means of employment, the more precarious therefore becomes the condition for their existence, namely the sale of their own labour-power'. Intriguingly, almost the entire contemporary vocabulary—redundant, superfluous, precarious—can be found in this chapter.²⁵

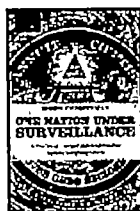
If the passage in *Capital* tells the story from the point of view of the accumulation of capital, the parallel passage in the *Grundrisse* begins from the point of view of living labour: 'It is already contained in the concept of the free labourer, that he is a pauper: a virtual pauper . . . If the capitalist has no use for his surplus labour, then the worker may not perform his necessary labour'. Marx is not arguing that all workers are or will become beggars, as in the immiseration thesis often attributed to him. Rather, this is his account of bare life: since the exchange required for the means of living—the selling of labour-power—is accidental and indifferent to their organic presence, the worker is a virtual pauper.²⁶ Virtual paupers: this strange figure—which combines an almost lost word with one that has taken on entirely new connotations—will be my temporary resting place. In a letter written as he turned fifty, Marx wrote: 'half a century on my shoulders and still a pauper'. A century and a half on again, the spectre of wageless life still weighs upon us.

²⁴ Marx, *Capital*, pp. 782, 783–4, 794.

²⁵ Marx, *Capital*, pp. 783, 794, 798.

²⁶ Marx, *Grundrisse*, trans. Martin Nicolaus, New York 1973, p. 604. For an intermediate draft of this passage in the 1861–63 manuscripts, see MECW 30, p. 40.

FORTHCOMING IN FEBRUARY



One Nation Under Surveillance

A New Social Contract to Defend Freedom Without Sacrificing Liberty

Simon Chesterman

'A must-read for anyone interested in staying current about the privacy implications of the war on terror'

Frederick P. Hitz, former Inspector General, CIA

Hardback | Feb 2011 | 978-0-19-958037-8 | 320 pages | £20.00



The Life of Adam Smith

Second Edition

Ian Simpson Ross

This new edition of *The Life of Adam Smith* remains the only book to give a full account of Smith's life whilst also placing his work into the context of his life and times

Hardback | Sept 2010 | 978-0-19-955003-6 | 624 pages | £25.00



Europeanism

John McCormick

In *Europeanism* the author identifies and outlines the political, economic, and social norms and values associated with Europe and Europeans. It argues that regardless of the doubts associated with the exercise of European integration and the work of the European Union, and regardless of residual identities with states and nations, Europeans have much in common.

Hardback | June 2010 | 978-0-19-955621-2 | 272 pages | £25.00



Globalizing Justice

The Ethics of Poverty and Power

Richard W. Miller

Richard Miller presents a bold new program for international justice. He argues for new standards of responsible conduct by governments, firms, and individuals in developed countries, to govern trade, investment, environmental policy, and the use of force. He offers an urgently needed strategy for moving humanity toward genuine global co-operation.

Paperback | Mar 2010 | 978-0-19-958199-3 | 352 pages | £16.99

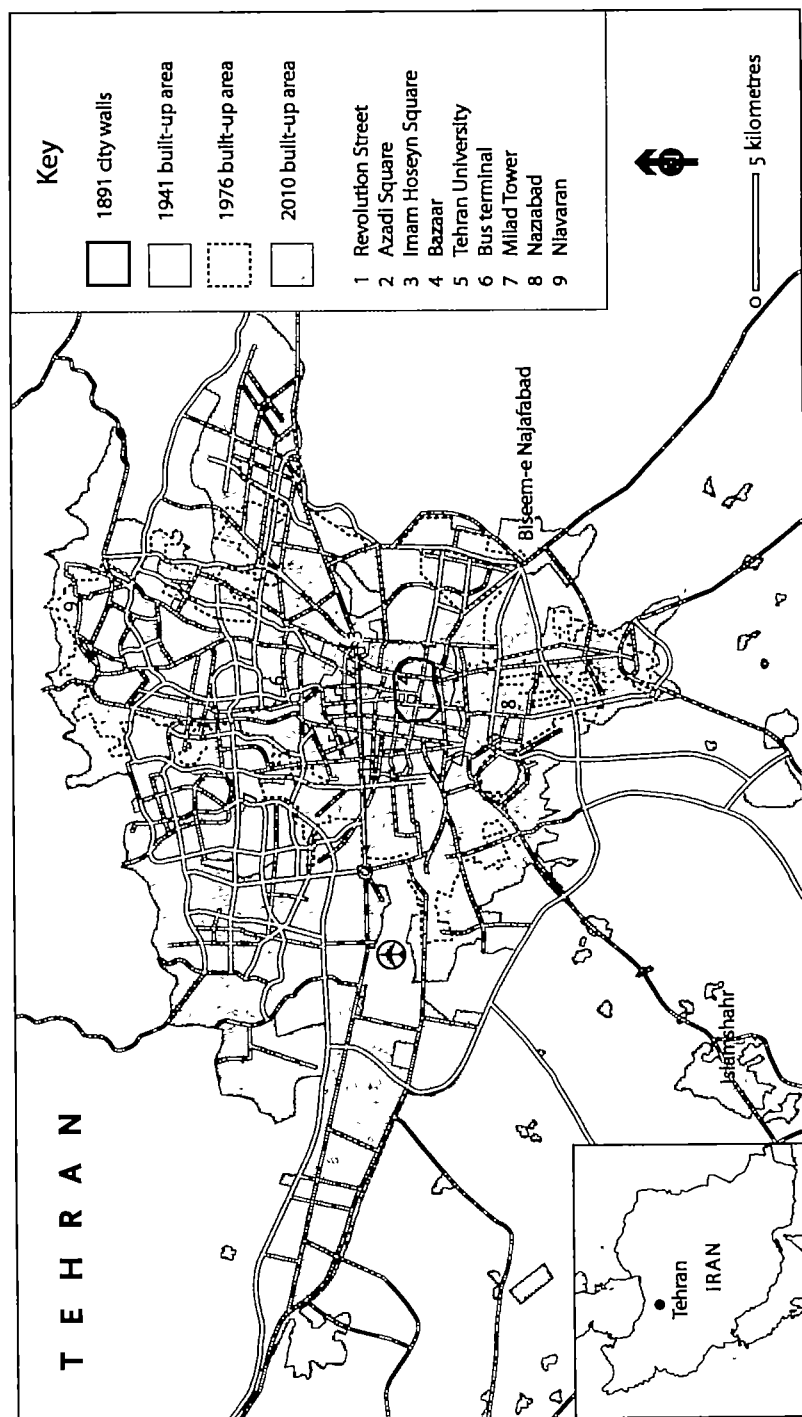
Hardback | Mar 2010 | 978-0-19-958198-6 | 352 pages | £55.00

ASEF BAYAT

TEHRAN: PARADOX CITY

TEHHRAN IS NOT an 'interesting' city. It is not like its regional counterparts Istanbul or Cairo, with their long imperial or colonial histories, pivotal geo-political locations, memorable architecture and natural charm. Tehran remains a provincial metropolis of some 12 million people, with streets choked by four million vehicles and air pollution that kills 3,600 inhabitants per month; factors contributing to a 'liveability' ranking that places it among the ten worst cities in the world, between Dakar and Karachi.¹ But it is a city with extraordinary politics, rooted in a distinctive tension between what looks like a deep-seated 'tradition' and a wild modernity.

In the West's imagination, Tehran has principally been seen as a city of lofty minarets, piercing calls to prayer, bearded clerics and women veiled head-to-toe; a city of mud-bricks and narrow alleyways populated by extended families. This is the Tehran of *Not without My Daughter*. The aftermath of the June 2009 presidential elections presented the world with a very different view: for weeks during and after the massive street demonstrations, thousands of images of the city and its young protestors circulated in the international media, showing a secular citizenry with all the markers of a contemporary sensibility: satellite dishes, Twitter, blogs and so on. The Green movement also disclosed the more complex reality of Tehran—a city with a tumultuous history that is traversed by glaring contradictions and marked by a persistent social and spatial defiance. This city's population has tripled since the Islamic revolution of 1979, while its architecture and spatial pattern have been steadily modernized. Through all this, it has remained a divided, plural urban realm. For Tehran has resisted being 'Islamized'. Secular resilience, ongoing socio-economic inequalities and political exclusion have



turned the city's main squares and backstreets into political battlefields. Three decades on from the Islamic Revolution, Tehran remains a dramatic space of contention over the legacy of 1979 and the claims of citizenship.

City of the Shahs

No one knows exactly why, at the end of the 18th century, Shah Agha Muhammad Khan, the founder of the Qajar dynasty, named a backwater enclave in the shadow of the Alborz Mountains as the capital of a country which had not long before had Esfahan as its shining imperial metropole. There are probably better explanations for the choice of Ankara, another 'un-interesting' city in the region, as Turkey's capital. Yet once Tehran was chosen, the interests of multiple forces—elites and bureaucrats; the poor; foreign influences and international capital—combined to create and shape a remarkable, contested urban blend. From a walled city of 19 square kilometres with an estimated 230,000 inhabitants in 1900, marked by the salience of three national institutions—bazaar, mosque and royal court—Tehran had by 2010 evolved into a metropolis housing almost a sixth of the country's population.

The city's traditional social fabric was defined by the *mahalleh* or quarter system, which organized urban space not along class lines, but according to ethno-religious divisions, clustering citizens of the same ethnic or religious affiliation, whether rich or poor, within particular quarters.¹ This pattern remained unchanged, and the city itself quite stagnant, until the second half of the 19th century, when Naser Eddin Shah extended the city walls and ditches. The main motivations for this were the need to integrate the growing numbers of 'outsiders'—not only migrant poor but also elite Persians and foreigners—and to control riots, which would frequently erupt in protest at bread shortages. But the works were also partly inspired by a vision of a 'modern city' derived from Baron Haussmann, whose ideas spread at this time from Paris to the Middle East, and were adopted by Khedive Ismail in Cairo and the Ottoman rulers in Istanbul. However, expansion did little to alter the underlying *mahalleh* system. Social inequality within the various

¹ 'Iran smog "kills 3,600 in month"', BBC News website, 9 January 2007; Economist Intelligence Unit, *The Global Liveability Report*, August 2010.

² John Gurney, 'The Transformation of Tehran in the Later 19th Century', in Chahryar Adle and Bernard Hourcade, eds, *Tehran Capitale Bicentenaire*, Tehran 1992.

quarters persisted, and was reinforced by a speculative land market in the early 20th century.

From the early 1920s, Reza Shah's modernization project engendered new social and spatial divisions. An officer of the Cossack Brigade, Reza Shah rose to power in conditions of remarkable political instability and social insecurity caused by years of civil war, foreign occupation and nomadic uprisings. After a British-engineered coup in 1921, he became war minister, using his position to assert control over a splintering polity. In 1923 he seized the premiership, and set out to establish a strong autocratic state—initially on the model of Atatürk's Turkish Republic, though by 1925 he had reconsidered, opting instead to crown himself Shah and found his own Pahlavi dynasty. Still, the new Persia was to be a modern, unified, secular nation-state; Tehran was to reflect this desired image. The city walls were demolished once and for all in the 1930s, and attempts were made in the following decade to end the *mahalleh* system, through the adoption of a zoning pattern based largely on class segregation. A new urban model took shape, with modern buildings and boulevards designed by European and European-trained architects. Nevertheless, many aspects of the older urban structure and social organization persisted, now juxtaposed with the emerging realities of the city of petro-dollars.

For oil became central to the social, economic and spatial life of Tehran. The oil industry developed rapidly in the 1920s—production more than quadrupled over the course of the decade—with British capital dominating the sector. It was the nationalization of the oil industry by Prime Minister Mohammed Mosadeq in 1951 that prompted his removal in a CIA-instigated coup two years later. The toppling of Mosadeq's nationalist and secular democratic government allowed Reza Shah's son, Mohammed Reza, to consolidate his autocratic rule—and then to accelerate the modernization project. The post-coup era, notably the 1960s and 1970s, saw remarkable economic growth—with rates averaging 11 per cent annually from 1963–72, jumping to 30 per cent during 1974 and 1975. Oil income financed extensive programmes of industrialization, national education and urban development, while land reforms enhanced capitalist relations in the countryside, curtailing the power of feudal lords and turning the peasantry into smallholders or rural proletarians, many of whom subsequently migrated to the cities. In the course of this historic shift professionals and technocrats, the working class and

women gained prominence at the expense of the traditional social structure and forms of authority: the feudal class, bazaar merchants, the *ulema* and Islamic institutions in general.

Tehran became the spatial embodiment of this surging accumulation process. In and around the city, industry, commerce, services and foreign enterprises mushroomed. More than a place of production, Tehran became a site of ever-increasing consumption, as new spending patterns and Western lifestyles were adopted; restaurants, cafes and exclusive uptown neighbourhoods appeared. The Shah's regime sought to reshape Tehran into a decentred LA-type suburban entity. The first Comprehensive Plan of Tehran, drawn up by the Californian architect Victor Gruen in 1963–67, envisioned a city divided into ten large and fairly self-contained districts of 500,000 inhabitants, linked to one another through a network of freeways and a rapid transportation system. This post-modern plan, however, failed to account for what had amounted to Iran's 'enclosure movement' of the 1960s and 1970s: the land-reform programme had effectively released some three million landless peasants from the countryside. They looked to the cities, primarily Tehran, to rebuild their lives. Mass rural–urban migration swelled the capital's population, contributing to its virtual doubling from 2.7 million in 1965 to 4.6 million in 1975.

The new arrivals were predominantly poor; but it was urban planning and the zoning policy that turned them into 'marginals', *hashiyenishinan*. The free market in land and its high price, as well as problems of cost and the restrictive construction standards set by planners—on the size of lots and the form of construction—all pushed poor newcomers to put up their shelters informally, outside the city limits. Underdog neighbourhoods such as Shahbaz Jonoubi, Javadieh, Naziabad and Biseem-e Najafabad sprang up, occupied by mainly rural migrants. Housing supply had previously been tight: in the mid-1950s, over half of all households in Tehran lived in rented homes, and some 40 per cent, mostly rural migrants, lived in one or two rooms. By the 1970s, some 200,000 new homes were needed every year to keep up with the demand.³ The shortage of supply would only expand the slums, squatter settlements and satellite communities around the city.

³ Data from the Association of the Iranian Engineering Consultants, and *Middle East Economic Digest*, 1 April 1983, p. 14.

The process of marginalization accelerated in the years after 1966, when Provision 100 of the Municipality Law authorized the demolition of unlawful constructions within the city limits as well as in the buffer zones, *harim*, created around the city. The inhabitants of the overcrowded slums and informal settlements came to form an estimated 35 per cent of Tehran's population by the late 1970s. Their rural origin and ethnic backgrounds—they were mostly Azeri and speakers of other Turkic languages—marked their social and cultural segregation from the Westernized urban rich, who stigmatized them as *dahati* (rural, backward), *amaleh* or *hammal* (labourer, inferior). The very names of their communities came to connote disparagement, reinforcing their lowly status on the periphery of urban life.

By the eve of the 1979 revolution, Tehran—with a population of nearly 5 million—exhibited a distinctive class hierarchy, expressed not only in economic, social and cultural terms, but also in the city's segregated spatial layout. To the far north, at the upper end of the sloping landscape in which Tehran is situated, were the most opulent neighbourhoods—Darrous, Tajrish, Zafaraniyeh, Farmanieh—including the first gated communities in the Middle East; at the very summit of the city was the royal palace of Niavaran. The middle areas, from east to west, housed the relatively large middle classes: state employees, professionals and small-business owners. To the south, the lowest lands of the city went to the poor, new rural migrants and the lower strata of working people.

The distinction between affluent north and poor south Tehran—between *bala-ye shahr*, the 'upper city', and *pain-e shahr*, the 'lower city'—was unequivocally registered in the language and the popular imaginary. The dividing line between the two was formed by Shahreza Street—today Revolution Street, *Khiaban-e Enqilab*—the epicentre of Tehran's political geography. A sociological 'green line', the street housed Tehran University campus, dozens of bookstores, and large bus terminals linking Tehran to the provinces. The street thus connected diverse social groups with key institutions and with the flow of knowledge and news. It was here that the first sparks of the 1979 revolution were lit by student demonstrations, before spreading rapidly across the city and then the country in just two years. It was here, too, that the silent march of hundreds of thousands of Tehranis in June 2009 was to mark the birth

of the Green movement that shook the clerical establishment, three decades after the Islamic revolution.

Revolutionary streets

The 1979 revolution and subsequent war with Iraq (1980–1988) had a dramatic effect on the city. Even though Tehran's pre-revolutionary structure and architecture remained, these were now to be overlaid with a revolutionary ideology and reshaped by the practices of a new regime and a changing citizenry. Tehran became an extraordinary space of chaos and contradictions: freedom coexisted with suffocating control, an egalitarian ethos with deep discrimination; promise with despair. It seemed as if the revolution had inscribed its logic into the spatial and social fabric of the city, which now expanded wildly and haphazardly, with little managerial direction and few amenities.

A spectacular sense of energy and optimism overtook the city's public spaces after the downfall of the Shah. The central streets, public parks, taxis, buses and lines outside bakeries turned into unprecedented sites of debate and dispute over the meaning of the revolution. Now everyone, including the marginal poor, wished to claim the city through their physical, vocal and symbolic presence. The end of the Pahlavi dynasty had been accompanied by a general collapse of central authority: there were no secret police, no municipality guards, not even traffic police. Many businessmen had deserted their companies; managers had left factories; landlords departed their large estates; the rich abandoned homes, hurriedly leaving behind million-dollar properties. In the end some 150,000 housing units—palaces, hotels, villas and unfinished apartment blocks—were eventually taken over by the *Bonyad-e Mostaz'afin*, the Foundation of the Dispossessed, a vast charitable endowment that had been the Pahlavi Foundation before being nationalized in 1979. Meanwhile, landless peasants confiscated large agribusiness estates, hundreds of factories were taken over by workers, and government employees began to run the ministries and departments. Even the unemployed, who essentially lacked any institutions through which to participate, took control of the streets by regulating traffic. The revolutionary youth and newly-established *pasdaran* (Revolutionary Guards) took charge of the city police. Indeed, it was various grassroots organizations, as well as new 'revolutionary institutions' (*nahad-haa-ye enghelabi*)

such as the *pasdaran*, the paramilitary *basij* volunteers and the Housing Foundation, that quickly moved to fill the power vacuum.

In the cities, the popular classes launched a spectacular take-over of mainly public lands, which led to the rapid expansion of Iran's urban centres, notably the capital. The land area of Tehran doubled in just two years, and continued to grow thereafter; some half a million hectares of land developed in this fashion between 1979 and 1993. 'Revolutionary institutions' such as the Housing Foundation played a key role in the transfer of property. The overwhelming share of new construction—75 per cent during 1979–82—took place outside the formal city limits and without authorization; almost all was built by private individuals. Hundreds of satellite villages around the city turned into urban townships, becoming part of greater Tehran.⁴

Why so much expansion? Firstly, in the immediate aftermath of the Shah's fall, a large number of migrants had rushed to Tehran to harvest the fruits of their revolution—jobs, housing and dignity. Scores of villagers camped in Tehran's main squares to receive their share of the 'free homes' that Ayatollah Khomeini had promised to the *mustaz'afin*, the 'down-trodden'. The rhetoric used by the Islamist authorities reflected the intense competition between them and secular leftist forces over who could mobilize the poor politically. The poor took advantage of this discursive opportunity to advance their claims—without, however, lending much allegiance to either side. Secondly, in addition to the rural migrants, there was an influx of 2.5 million Iran–Iraq War refugees and, starting in the mid-1980s, of 2 million Afghans. These factors combined to make the country's urban population shoot up by 72 per cent between 1976 and 1986, much of this increase taking place in Tehran. In the 1980s, an estimated 300,000 homes were needed each year in the capital to keep up with demand, and this in conditions where private investment in housing had almost totally collapsed: the total number of homes built with a permit in 1982 was only one tenth of that in 1979.⁵ Laying claim to state or public land or taking over empty apartments was for many a practical solution to their housing needs. The Islamic state itself also contributed to the city's spatial expansion: in need of revenue during the war, it sold public lands, often below market prices, mainly to middle-layer state

⁴ See Kaveh Ehsani, 'Survival through Dispossession: Privatization of Public Goods in the Islamic Republic', *Middle East Report*, no. 250, Spring 2009.

⁵ *Ettelaat*, 11 Esfand 1363 (2 March 1984).

employees—notably to members of the new revolutionary bodies. As a channel for social mobility, the state bureaucracy had grown dramatically in size, from 1.7 million in 1976 to 3.5 million in 1986.⁶

While the new arrivals colonized the city's peripheries, street vendors took over the central sidewalks. Stalls and kiosks selling books, newspapers, music cassettes and tapes of political speeches proliferated—mostly run by politicized, unemployed youth or students, filling the pavements of the better-off central district around Tehran University. Many stall-holders helped themselves to electricity from nearby power lines, illuminating their surroundings with colourful lights. Every evening the sidewalks turned into funfairs, with shoppers and passers-by browsing amid heckling, jokes, music and plenty of politics. Within two years of the revolution, political vendors and student squatters of homes and hotels were confronted with the wrath of the Anti-Vice Court, the *pas-daran* or demolition squads. But ordinary vendors continued to multiply, and persisted despite periodic crackdowns. These vendors tended to be drawn from among rural migrants, war refugees, young unemployed Tehranis and low-income state employees. Plying their trade in poorer neighbourhoods as well as on central thoroughfares dense with traffic, they sold almost every type of goods imaginable, from stale bread and gasoline ration cards to electronic equipment and their own muscle power. With meagre capital, and relying on public space as their key asset, these subaltern traders altered the street life of Tehran.

Top-down transformation

As a result of these struggles, and the initial economic populism of the Islamist revolutionaries, the 1980s brought a degree of class egalitarianism. Many of the pre-revolutionary poor and marginalized were now more closely integrated into the social and spatial structure of the city. By 1982 some 62 per cent of Tehranis were home owners compared to 53 per cent just before the revolution.⁷ Indeed, the very process of the revolutionary struggle had already narrowed somewhat the previously existing social and cultural divide. The well-off denizens of north Tehran had demonstrated side by side with the humble residents of the south; men with women, young with old, modern with traditional, secular with religious.

⁶ Ehsani, 'Survival through Dispossession'.

⁷ Data from Association of the Iranian Engineering Consultants.

But this exceptional solidarity and the 'spring of freedom' did not last long. The populist policies of the new regime went hand in hand with a relentless political and ideological exclusion of secular, liberal and democratic constituencies, as the government began to Islamize society from the top down. The programme of 'cultural revolution' that began in 1980 shut down the universities—hotbed of anti-Shah campaigns—for three years, as the authorities sought to re-organize the education system along Islamized, conformist lines. Workplaces, factories, offices, banks, schools and hospitals were transformed to uphold moral prescriptions and sex segregation, and made to institute daily collective prayers. Revolutionary posters and slogans adorned every wall, and the constant blaring of religious recitation from loudspeakers drove home the arrival of a new social order. Western names and symbols disappeared from the city's streets, to be replaced by political graffiti, murals, posters and placards; bars, night-clubs and the red-light district vanished completely. The *sar-e kouche*, or street-corner sub-culture, in which young men would gather to socialize or pass time, was lost to the regimentation of city spaces by *pasdaran* and Khomeinist *hizballahi* vigilantes, who patrolled the streets with clubs and guns to enforce the new moral edicts. The war with Iraq, meanwhile, had produced victims and martyrs from almost every street, dramatically changing the symbolic landscape of the city as street names beginning with *shahid*—martyr—multiplied. But perhaps nothing was more jarring than the sudden disappearance of bright colours from public spaces; black and grey, as embodied in women's *chadors* and men's facial hair, now dominated the city's visual landscape.

In the aftermath of the revolution, then, Tehran experienced dramatic physical expansion, mass migration and the deterioration of urban infrastructure and services. Even though little changed in terms of any enduring new 'Islamic' architecture, significant transformations took place in the social and political domains, giving rise to a paradoxical spatial order. The large public spaces and squares were virtually taken over by pro-regime vigilantes, who turned them into the enclosed or 'interior' spaces of their 'ideological self', at the expense of those whose modes of life and tastes did not conform.⁸ As a consequence, private spaces and homes became for many the key loci of communication, sociability and recreation. While redistributive measures and a reduction in numbers of the rich helped to narrow the class gap, deep ideological and political differences divided Tehran's inhabitants. The well-off and Westernized

⁸ Masserat Amir Ebrahimi, 'Public and Private', *Pages*, no. 1, February 2004.

residents, who under the Shah had dominated the city's main public places, were now pushed into the enclosed spaces of their private habitats; in their stead came the new Islamist elites, regime supporters and families from lowly and 'traditional' backgrounds.

If spatial distinctions of class and status diminished, gender discrimination surged. Managers and workers could dine in the same canteens, but men and women were prevented from mixing in the same refectories, libraries or sport centres, as *basij* militias constantly humiliated women for improper behaviour or incorrect wearing of the *hijab*. Urban spaces became still more regimented and masculinized. In the meantime, the trend away from living in traditional homes towards more affordable apartments placed further pressure on women; for while older residential architecture had offered spaces of privacy and neighbourly sociability—courtyards, terraces and rooftops—the boxy new apartments reinforced the seclusion of women, who were forced indoors as neighbourhoods were colonized by the vigilantes. Yet in a further paradox, for many 'traditional' families, whose underdog status had excluded them from the public spaces of the Shah's Tehran, the new 'morally safe' city facilitated their active presence: women from conservative backgrounds could emerge from the confines of their homes and into the public realm.⁹

Post-Islamism?

In the 1990s, a new form of post-Islamist thinking combined with neo-liberal policies to alter the capital's profile once more. The end of the war with Iraq in 1988, followed a year later by the death of Ayatollah Khomeini, inaugurated a new phase in the life of the Islamic Republic. The technocratic and pro-market government of Ayatollah Hashemi Rafsanjani, in office from 1989 to 1997, aimed to leave behind the exceptional years of revolution and war, scaling back the command economy and replacing rationing with increased opportunities for consumption. Postwar reconstruction took place under the aegis of two Five-Year Development Plans. The First (1989–94) revealed Iran's alarming developmental problems, such as rapid population growth and insufficient infrastructure, while the Second (1994–99) called for efficiency in urban

⁹ For a good survey see Azam Khatam, 'Houzeh-ye Hamegani va Fazaha-ye Omoumi dar Iran', *Andishe-ye Iranshahr*, no. 3, spring 2005, pp. 10–5. See also Kaveh Ehsani, 'Municipality Matters: The Urbanization of Consciousness and Political Change in Tehran', *Middle East Report* 212, Fall 1999, p. 26.

planning and management, municipal self-sufficiency through the introduction of a poll tax, and some sort of decentralization of authority via city councils.¹⁰

Rafsanjani secured the appointment of Gholamhussein Karbaschi, a former theology student turned urban planner, as mayor of Tehran in 1989, a post he was to hold until 1998—making him the longest-serving mayor since the post was created early in the 20th century. Karbaschi stripped from the capital its earlier revolutionary and exclusionary character, transforming it into a post-Islamist metropolis of pluralism and *mélange*—but one still sensitive to pious sensibilities. Revolutionary slogans were replaced by commercial billboards and orderly murals, while the mandatory painting of shops and offices lightened the grey mood of the city. After a decade of dreariness, glimpses of bright colour returned to citizens' fields of vision. Boulevards were planted with flowers, while 600 new green parks and thousands of acres of forest planted on the city's edge invoked visions of an Olmstedian public landscape in which diverse classes, genders and cultural groupings could mix in morally safe spaces.

Scores of new shopping malls and Shahrvand (Citizen) department stores offered not only a more modern and efficient distribution system, they also served as vital spaces in which young boys and girls as well as retired men and women could socialize, at a time when the role of the traditional *mahallehs* and *sar-e kouches* in forging group identities was rapidly declining. With this new modern infrastructure, the young could now extend their horizons beyond the confines of their *mahal* to the *shahr*, the city, as a whole. At such major events as football matches, election campaigns or mass street protests, people increasingly came to act more as Tehranis than as residents of particular districts. Yet alongside this process of spatial levelling, the elites began to reassert their distinction through fashion and other symbols of consumption.

In a further attempt to promote safe recreational spaces, the municipality built some 138 cultural complexes and 27 sports centres, and turned 13,000 vacant lots into parks or playgrounds. Many of the

¹⁰ Zahra Arabshahi, 'Barrasi-ye Daraamad-e Sarane-ye Shahr-dariha-ye Kalan-e Shahrha-ye Keshvar, 1996–2002', *Fushname-ye Modiriyat-e Shahri*, no. 17, Spring 2004, p. 71.

cultural centres, such as the Bahman Cultural Complex—a former slaughterhouse—were established in south Tehran, providing arts, music, theatre and sports for rich and poor, traditional and modernizing audiences alike. The cultural centres bolstered the tremendous popularity of Western and Iranian classical music among the young. In the mid-90s, over 75 per cent of concert-goers were young boys and girls, and 65 per cent of the visitors were women, including young women from poor and traditional families.¹¹

The municipality also made efforts to reduce the socio-cultural, if not the economic, divide between north and south that had disfigured the capital for over half a century. Although north Tehran continued to get more attention—by 1998 its budget was 72 times that of 1990—considerable investment was also made in the south, where the budget increased 47 times over in the same period. The many rapid expressways and arteries Karbaschi's administration built—three times more than had existed in the city's history—and the 50 per cent increase in public-transportation vehicles compressed the north–south spatial distance.¹²

Neoliberal turn

But the 1990s was also a decade of deepening economic disparity. Rafsanjani's 'economic reconstruction' involved the liberalization of prices and the exchange rate, as well as the cutting of subsidies and privatization of state enterprises. In practice, the government ended up vacillating between neoliberal postures and populist concessions, but it did deregulate many prices—for natural gas, petrol, phones, post, electricity, bus and taxi fares—which in turn triggered an official inflation rate of 60 per cent in 1994. With the price rises, popular discontent, especially in poor urban neighbourhoods, reached new heights.¹³ Sporadic protests in Tehran against increases in bus fares and the price of fuel issued in a three-day riot in the informal community of Islamshahr in April 1995, leaving one person dead and dozens injured; hundreds were

¹¹ Masserat Amir Ebrahimi, 'Ta'sir-e Farhangsara-ye bahman bar Zendeghi-ye Ejtimai'i va Farhangui-ye Zana va Javanan-e Tehran', *Goftogu*, no. 9, Fall 1995, pp. 17–25.

¹² Ehsani, 'Municipal Matters', p. 24.

¹³ Sohrab Behdad, 'From Populism to Economic Liberalism: The Iranian Predicament', in Parvin Alizadeh, ed., *The Economy of Iran: The Dilemma of an Islamic Republic*, London 2000.

arrested. In the meantime, slum clearances and demolition of unlawful constructions—reportedly over 2,000 homes and businesses built without permits were torn down in the summer of 1992 alone—caused intense resentment and unrest in Tehran and other cities, including Shiraz, Mashhad, Arak and Khoramabad.¹⁴ Consequently, the authorities were compelled to mix selective demolitions with de facto tolerance or even infrastructural upgrading of informal settlements. Those who were driven out of one spot often ended up settling without permits in different, usually more distant places. Thus Tehran's informal communities did not stop growing, but rather spread at an unprecedented rate, not within the city but just outside its administrative boundaries, as scores of nearby villages such as Bagherabad or Akbarabad in south Tehran were transformed into low-income urban settlements.

Factional rivalry within the government proved a further brake on Rafsanjani's liberalization agenda. The economy remained stagnant: the GNP per capita in 1996 was still 73 per cent of the 1977 level. Nonetheless, the shape of the Iranian economy changed significantly during these years. The state sector if anything grew further, since privatization meant selling shares largely to parastatal revolutionary institutions such as the *pasdaran*. The government's administrative reforms were perhaps still more far-reaching. As part of this restructuring, many revolutionary institutions—marked by their emphasis on Islamic commitment rather than expert knowledge—were brought under the state bureaucracy. A growing class of professionals, many left over from the Shah's reign, were to take charge of managing the economy and the state administration. In this time of rationalization and gradual privatization, Tehran was left to finance itself. Karbaschi eliminated all state subsidies within four years; but, fearing a political backlash if he were to tax the city's residents, the mayor resorted to speculative capital, extracting fees and taxes from merchants and developers in exchange for exempting them from zoning regulations and protecting them from political pressure. Between 1990 and 1998, the municipality collected some \$6 billion in revenues, which it mostly used to finance urban renewal.¹⁵ A good portion of this came from selling permits that violated zoning regulations—such as commercial use of public lands or the sale of urban skyline, *tarakom*, which in principle is common property.

¹⁴ Cited in *Kar*, no. 45, 22 Mehr 1371 (14 October 1993), p. 5.

¹⁵ Ehsani, 'Survival through Dispossession'.

No newcomer to Tehran in the 1990s could fail to notice the rash of high-rise buildings, especially in the rich north, where the profit rate on real estate was much higher. These old-fashioned privileged neighbourhoods, with their large villas and lush gardens, together with the quaint villages at the city's outer edge, were lost among luxury-apartment complexes and their parking lots. These neighbourhoods had already begun to lose their pre-revolutionary socio-cultural uniformity when the *nouveaux riches* and the new Islamist elites—top bureaucrats in the Revolutionary Guards or members of the judiciary—brought more religious and traditional styles into these genteel areas. Once again, Tehran's north-south spatial divide reasserted itself, this time in the city's skyline: lavish white high-rises looked down upon the sprawling settlements of the southern agricultural lands, colonized not only by rural and provincial migrants but also by working- and middle-class Tehranis who could no longer afford to live within the city limits.

Other processes were reshaping the city during the 1990s. First, there was a growing informalization and fragmentation of labour, reinforced by economic liberalization. Between 1976 and 1996, the country's total private labour force increased by 37 per cent, but the number of small enterprises tripled. While the number of private wage-earners rose by only 6.5 per cent, that of self-employed workers in the informal sector increased by 190 per cent.¹⁶ These shifts gave a new form to working-class struggles for urban citizenship—not so much struggles for better wages and conditions, as over collective consumption and life chances: housing, urban services, informal work. While these waged and unwaged workers were increasing the scale and number of informal settlements, speculative capital was reshaping the city's legal housing sector. In the meantime, women and the young sought to assert their presence, physically and symbolically. Indeed, Karbaschi's vision of a post-Islamist Tehran both reflected and reproduced the desires and demands of millions of inhabitants, who were rapidly becoming more urban, more literate, more individualistic in outlook.

These struggles to define the spirit of the city deepened the factional rivalry within the state—between populist and hard-line Islamists on the one hand, and free-market rationalizers and post-Islamist

¹⁶ Sohrab Behdad and Farhad Nomani, 'What a Revolution! Thirty Years of Social Class Reshuffling in Iran', *Comparative Studies of South Asia, Africa and the Middle East*, vol. 29, no. 1, 2009.

modernizers on the other. Real vested interests were at stake. The post-Islamist modernizers' control of Tehran had constricted the easy access of powerful forces such as the military and conservative clerics to the city's resources—land, mosques and other institutional structures—as well as to patronage networks and the legal system. The municipality's Shahrvand department stores and support for the construction of malls, for instance, had challenged the economic and political power of the bazaar, long a bastion of support for the clerical regime, although it had itself already begun to be both modernized and differentiated.¹⁷

Under the presidency of Mohammad Khatami (1997–2005), Tehran became one of the most vibrant cities in the region, with a relatively free press and a lively political landscape, shaped by new social movements of youth, students, women and the intelligentsia. This post-Islamist Tehran, with its relative pluralism and secular aura, seemed structurally hostile to the revolutionary virtues espoused by the hard-liners and their supporters among the war veterans, *pasdaran* and *basijis*. They were determined to fight back against this threat to their hegemony and their claim to valuable resources. 'Islamist Tehran' needed to be restored.

Restoration?

Islamist forces focused their ire on the spread of 'Western' behaviour, ideas and architecture. To reaffirm Tehran's Islamic identity, in 1995 they put forward a \$100 million project for the 'world's largest mosque'. In 1996, the national Council of Public Culture and Ministry of Housing discussed a proposal to develop a vision of an 'Islamic city', though nothing came of this. More concretely, the conservative judiciary put Karbaschi behind bars on corruption charges in 1998, the year after Khatami took office; indeed, some allege that Karbaschi's energetic support for Khatami was the cause of his downfall. A more strategic response came from Said Emami, the hard-line deputy Intelligence Minister, who orchestrated the murders of dozens of secular intellectuals and politicians in the late 1990s. In the mid-1990s, Emami launched a systematic campaign against what he termed 'cultural invasion' (*tahajom farhangui*), of which 'de-Islamized' Tehran was an alarming feature. 'For me', Emami proclaimed, 'the key yardstick is not reconstruction, it is values'.¹⁸

¹⁷ Arang Keshavarzian, *Bazaar and State in Iran*, Cambridge 2007.

¹⁸ Anonymous authors, 'Cheshm-andazha-ye Jonbesh-e Sabz', Tehran 2010. Emami died in prison, in somewhat murky circumstances, in 1999.

But the man who was to carry out the historic task of restoration was Mahmoud Ahmadinejad, mayor of Tehran before becoming president of the country in 2005. A close associate of hard-liners in military and intelligence circles, Ahmadinejad gained his opportunity when popular disenchantment with Khatami's 'reform' project enabled conservatives to win control of Tehran City Council in 2003; the fifteen-member Council then chose Ahmadinejad as mayor in May 2003. Once in office, he began to reverse his predecessors' course—altering Tehran's socio-cultural landscape, creating neighbourhood clienteles, and easing the access of his allies in the military and intelligence to the city's vast resources.

Revolutionary posters, placards and murals returned to public spaces, and some 400 drinking fountains (*saqqa-khaneh*), newly built in the traditional style, spread throughout Tehran, each bearing images of neighbourhood war victims. Ahmadinejad vowed to revitalize the memories of *basiji* and *pasdaran* martyrs by reburying their remains in dozens of the city's strategic locations. Tehran's celebrated cultural complexes were turned into *tekyes*, places for religious activities, or else starved of funding. A giant new mosque was erected just across from the City Theatre (Teatr-e Shahr), to subdue this emblem of modernist culture that had remained from the high-society Tehran of the Shah.¹⁹ Anti-vice vigilantes extended their surveillance of non-conformist women and youth in the capital's streets.

To build a grassroots clientele, hefty handouts were channelled to local mosques, and to the religious chanters and Qur'an reciters associated with them, as well as to the multiplying *hey'ats*, ad hoc religious gatherings. Reportedly some \$400 million from the municipality's budget, originally assigned to road and other construction, went to mosques and *hey'ats*.²⁰ Funds were also dispensed to restore *basij*-controlled buildings, or to offer free food to fasting crowds during Ramadan. In his last year as mayor, when Ahmadinejad was encouraged by his *basiji* and Guards backers to run for president, Tehran's poor districts suddenly had their roads re-paved, got more grants for schools and saw a reduction in traffic jams. The funding for these and other populist measures—for instance, loans of \$1,200 each to some 12,000 newly married couples—came from the Revolutionary Guards, by now an enormous military and intelligence body with extraordinary economic power, controlling air

¹⁹ See Kasra Naji, *Ahmadinejad*, London 2008, pp. 49–51.

²⁰ Mahmood Alizadeh Tabataba'i, 'Vosule Bedehi-ye Dowlat beh Shahr-e Tehran', *Shahr-e Farda*, 5 Azar 1385 (26 November 2006).

and sea ports, land, factories, commercial companies, universities and hundreds of cultural institutions.²¹ In return for its funding, the municipality awarded the Guards project contracts and legal favours, allowing them to violate planning codes or turning a blind eye to land grabs. The extent of cronyism, corruption and expenses left unaccounted for during this period was quite unprecedented. Ahmadinejad's office never produced an itemized budget to show how the funds were dispensed; nor did it present any financial report to the city council.²²

Ahmadinejad was certainly successful in increasing the influence of conservative forces in Tehran, and in building an ideological clientele among segments of the working classes. But the city's poor and middle classes remained vulnerable to escalating inflation, unemployment and the rising cost of housing. Over 80 per cent of the city's budget between 2004 and 2007 still depended on the poll tax and the sale of construction permits (*avarez*).²³ Under Ahmadinejad, and in response to earlier criticisms, permits were issued to smaller 4–6 storey buildings, even though this continued to violate city codes. Thus instead of only a few well-connected rich developers, many could now purchase permits to build multi-storey houses. Yet these homes remained far beyond the financial means of working-class families, thanks to a staggering rise in the price of real estate. The average price of homes in Tehran tripled during the 1990s, and Ahmadinejad's tenure saw a further three-fold increase.²⁴ In these conditions, speculative capital and the propertied classes thrived, while the working poor and the middle classes had to devote their 'life-time effort' to securing a shelter.²⁵

During Ahmadinejad's mayoralty, Tehran municipality helped consolidate the rentier 'regime class' on which the hard-liners' rule rests. This

²¹ See Naji, *Ahmadinejad*, pp. 54–5.

²² Interview with the current mayor of Tehran, Mohammed Baqer Qalibaf, by Mohammad Reza Asadzadeh: 'Difficult year', in *Shahr*, special issue, Nowrooz 1387 (Persian New Year 2008). See also *Baztaab* website, 13 May 2005. Qalibaf is reported to have submitted 1,000 cases of irregularity committed by the municipality under Ahmadinejad to the supreme leader.

²³ D. Jalali, 'Barrasi-ye Ravanhaa-ye Omdeh dar Budge-ye Shahrdari-ye Tehran: 1383–86', *Eqtasad-e Shahr*, no. 2, 2009, p. 105.

²⁴ Ehsani, 'Survival through Dispossession', p. 6.

²⁵ This is according to Ahmadinejad himself, cited in *Bahar*, 23 Farvardin 1389 (12 April 2010). In 2008, over 25 per cent of the unemployed (373,000 people) were university graduates; see the Persian website Jaras, 12 Tir 1389 (2 July 2010).

class represents an ideological community comprising segments from both poor layers and rich, cemented by state largesse—aid, selective subsidies, preferential payments, bribes, commissions and the like. Many war veterans, *basijis*, working-class operators and members of the vast religious sector—drawn from mosques, shrines, seminaries, schools or Islamist cultural associations—thus share the regime's oil proceeds with rich cronies, contractors and figures from the revolutionary institutions. When Ahmadinejad left the office of mayor to become president in 2005, he simply extended his vision to the national scale, now with much greater resources.

The City Council chose as his successor Mohammad Baqer Qalibaf, the former national police chief, and one of Ahmadinejad's defeated opponents in the presidential contest. Qalibaf became an obstacle to Ahmadinejad's attempts to maintain his hold, as well as that of his allies, over the capital's resources. Describing himself as 'pro-people, but not populist', and presenting himself as a religious moderate, but a tough, modernizing manager, Qalibaf continued several of Karbaschi's unfinished projects: to revive the cultural complexes, build highways, complete the Tehran metro system and finish the Milad (Communication) Tower project, which had lingered from the Shah's time. Religious or revolutionary symbolism was now downplayed: among the scores of new names given to Tehran streets, hardly any had these kinds of connotations.²⁶ But the continuing encroachments of the government and the *pasdaran* into the municipality's prerogatives undermined the city's governing authorities.²⁷ This trend was to intensify in the wake of the Green movement.

June days

The 2009 election contest between Ahmadinejad and Mir Hussein Mousavi transformed the social and political face of Tehran. Enthusiasts of 'reform', from the well-off to the middle and working classes—many of whom had refused to vote in the previous poll in 2005—utilized the electoral schedule and a rift within the power elites to turn their years of quiet discontent into a spectacular open mobilization. Women and young people in particular turned energetically to grassroots activism,

²⁶ See for example the Resolutions of Tehran City Council from 1 Esfand 1388 (20 February 2010), available on the Council's website, www.shora-tehran.ir.

²⁷ Tabataba'ii, 'Vosoul-e Bedehi-ye Dawlat'.

organizing mass street marches with a quasi-carnavalesque atmosphere. Tehran's streets, public parks, schools and squares—especially in the central areas and north of Revolution Street—became the principal arenas of an animated and voluble campaign. But the outcome of the elections—victory for Ahmadinejad, amid plentiful evidence of fraud—dashed the hopes of many, inspiring a profound moral outrage that in turn fed into a broad-based protest movement of a kind unseen in the history of the Islamic Republic.

The Green movement, a post-Islamist drive to reclaim citizenship within a broadly religious-ethical order, articulated a long-standing popular desire for a dignified life free from everyday surveillance, corruption and arbitrary rule. For weeks after the result was announced on 13 June, street politics became its chief expression, before it was quelled by state violence. Days passed with the police and *basij* militias battling the protestors, while during the nights roof-top chants of 'Allah Akbar' and 'death to the dictator' reverberated across the sky. Most of the Green demonstrations occurred in the centre and centre-north of Tehran—a slight northward move from the 1979 pattern, which had included the centre and centre-south. As the city had expanded and the middle classes grown, the political geography had also shifted. The educated middle classes played a key role in the Green movement, as they had done in the 1979 revolution, while the marginal poor chose to stay away from the protest movement, waiting and watching—exactly as they had done three decades earlier. But eyewitness accounts suggest that youth groups from the southern districts also joined in the Green demonstrations.

The monumental silent march of 15 June 2009, filling Revolution Street and converging on the Azadi Tower, prompted a radical change in Tehran's mode of governance. In an extraordinary security measure, the Revolutionary Guards took full control of the city for two months, from 15 June to 16 August, while tens of thousands of security and paramilitary agents were stationed in strategic streets and squares. Within a few weeks, 4,000 protestors had been arrested, at least 70 killed, the reformist media shut down, and free communication in the city virtually suspended; by the end of the year, the total number of detainees reached 10,000.²⁸ A virulent propaganda campaign in state-controlled media and

²⁸ According to Sardar Fazli, a *pasdaran* commander, cited in 'Eteraf-e Sardar-e Sepah beh Dastgiri-ye Dah-hezar Nafar dar Sal-e Gozashteh', *Peyke Iran*, 18 Aban 1388 (9 November 2010).

Stalinist-type mass trials of opposition figures were the prelude to a more systematic surveillance of the city spaces. Scores of hidden cameras were placed on public thoroughfares, in colleges and dorms, while *basij* militias were busily monitoring 'suspicious' activities. It was as if the city had gone astray, and the authorities felt an urge to put it in its place, to 'convert' its sights and sounds. Public parks were ordered to set up prayer halls and mosques, and begin broadcasting the *azan*, the call to prayer. In May 2010, Tehran residents realized with astonishment that several statues of artists, writers and historical figures such as Avicenna had mysteriously disappeared from the city's public parks and squares—blatant thefts clearly carried out with cranes and heavy machinery, pointing to official approval for this attempt to disfigure the secular body of the city.²⁹

If ramped-up security was the regime's short-run solution to Tehran's recalcitrance, for the long run they opted for major social engineering. In April 2010, in an extraordinary resolution that went against existing legislation, the cabinet authorized the president and his deputy to take charge of Tehran, and indeed any city with a population over 5,000. Mayors were to follow the president's orders. These moves prepared the way for three structural changes, first announced by Ahmadinejad in a speech on 12 April, and then followed up by other officials and Friday prayer leaders. Firstly, the authorities plan to downsize the capital—to repatriate, according to Ahmadinejad, some five million Tehran residents to villages and provinces. Those who volunteer for relocation are to receive loans and assistance in securing land and housing.³⁰ The second strategy consists of increasing the population of the country from 70 million to 150 million, especially in rural areas, which currently provide just over 30 per cent of the total, and are thought likely to remain loyal to the Islamist regime. Family-planning and population-control measures are to stop; just as in the 1980s, they are now presented as 'conspiracies to keep the Shi'a population low'.³¹ The families of newly born children in the rural areas will receive \$1,000 in cash, supplemented by payments of \$95 per year until the child turns 18. Finally, the universities, of which there are currently 25 in Tehran, are to be restructured, 'indigenized', 'Islamized', and then transferred out of the capital.³²

²⁹ Azadeh Asadi, 'Dozdi-ye Seriali-ye Mojassameha-ye Tehran', *Radio Farda*, 14 Ordibehesht 1389 (4 May 2010).

³⁰ *Bahar*, 23 Farvardin 1389 (12 April 2010).

³¹ According to Ayatollah Mesbah Yazdi, Ahmadinejad's mentor, cited in *Mardomsalari*, 5 Tir 1389 (27 June 2010).

³² *Tehran Emrooz*, 22 Farvardin 1389 (11 April 2010).

It is too early to determine if these highly ambitious schemes—which one official framed as ‘protective measures against an impending earthquake’—will materialize.³³ General Franco did relocate the Catalan Autonomous University to Barcelona’s outskirts to avoid student uprisings; but the Shah’s similar plan in 1978 to move the militant University of Aryamehr from Tehran to Esfahan failed, primarily because the students and faculty resisted. Whatever the outcome, the authorities’ course of action indicates that they too see Tehran’s post-Islamist urban order as subverting their religious-military mode of rule. To govern, they need to undo the city.

Contentious capital

Three decades into the Islamic revolution, Tehran remains a troubled and troubling city, wounded and yet defiant. It still retains the structural and architectural palimpsest of the Shah’s time, but this is overlaid with a veneer of post-revolutionary ideology, some significant redevelopment and the footprints of globalization. More dramatically, it has been transformed from below by population growth, immigration and informal development. Most of these processes are not peculiar to Tehran, of course; they are a feature of many other mega-cities of the global south. But Iran’s capital has its own particularities. Today the city is certainly less cosmopolitan than its regional counterparts. Unlike Cairo, Istanbul or Dubai, foreign tourism has almost vanished; Western communities have shrunk, religious minorities dwindled; Afghan refugees live mostly in rural areas. But Tehran has not escaped globalizing influences. In some sense the ‘West’ is more present today, through the new media, goods, styles and the three-million plus Iranians living abroad, than it was three decades ago. Economic liberalism, even though it is checked by occasional populist urges, is of course also part of this trend.

But Tehran remains largely free of the kind of urban violence that has gripped many cities of the global south in neoliberal times. In cities such as Rio de Janeiro, Manila or Managua, the vacuum left by the diminished presence of socialist organizations or the state among the poor has enabled gangs and drug lords, in consort with corrupt police, to patronize and control the slums. In Tehran, instead of social violence there is an

³³ The words of Kamran Daneshjou, Minister of Sciences; see ‘Takeed-e Mojaddad bar Prozhe-ye Amniyyat-ye Khorouj-e Daneshgah-ha az Tehran’, *Peyke Iran*, 28 Farvardin 1389 (17 April 2010).

extra-legal political violence which semi-official power structures direct against the citizens. Instead of the drug lords of Latin American cities, Tehran has the *pasdaran* and *basij*, who use state oil revenue to employ working-class youths for extra-legal purposes such as breaking peaceful demonstrations, attacking opposition groups and street surveillance.³⁴

Most importantly, Tehran is unparalleled in its contentious politics—in its dialectic between a religious-military mode of government and an unrelenting popular defiance. The Islamic revolution has failed to reshape and re-structure Tehran in accordance with its ideology to the same depth or with the same intensity as the French Revolution did Paris and the Russian Revolution Moscow. Even today, Tehran looks more like Madrid or even Los Angeles than Qom, Riyadh or Cairo. Of course, Tehran does project plenty of expressions of religious identity. Religious posters, portraits and prayer halls are a feature of government offices and public spaces; the Shi'a institutions of *tekye*, *hey'at* and *huseiniehe* have been reinvented and are well funded; the *azan* blares from many mosques; women have to wear the *hijab* in public. But these largely official markers appear more as irritant impositions than as signs of a hegemonic religious order.

In truth, Tehran has resisted becoming a 'religious city', in which religious-inspired architectural, visual and auditory cues would inculcate the inhabitants with pious sensibilities. A recent survey showed that only 12 per cent of young Iranians ever go to mosques, and 25 per cent of Tehrani have never been to one.³⁵ The standards of public piety and moral virtue are maintained primarily through coercion. For instance, the spring 2007 'public safety programme' to fight what hard-liners call a 'cultural NATO' resulted in the public humiliation of one million citizens and the arrest of 40,000 by the police and *basij* militias in just four months. Of the detainees, 85 per cent were youths aged 16–25.³⁶ In June 2010, the government announced that it would

³⁴ In the post-2009 election violence, some *basij* agents reportedly received motor-bikes and others \$400 for each operation.

³⁵ 'Only 12 per cent of young people ever go to mosques', *Shahrzad News*, 4 October 2010.

³⁶ Azam Khatam, 'Struggles over Defining the Moral City: The Problem Called "Youth" in Urban Iran', in Linda Herrera and Asef Bayat, eds, *Being Young and Muslim: New Cultural Politics in the Global South and North*, Oxford 2010, pp. 220–1. The term 'cultural NATO' was notably deployed by Payam Fazil-Nejad in a 2009 book attacking the reformist movement as part of a Western conspiracy.

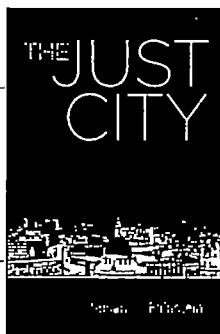
dispatch 3,000 female religious ‘propagandists’ (*moballeq*) to 3,000 girls’ schools in Tehran to bring them into line. As if preaching were not enough, the judiciary soon afterwards decreed penalties of 75 lashes, up to 60 days jail and a \$50 fine for laxity with the *hijab*.³⁷ Of course, many people uphold their own private forms of piety, but most tend to oppose state religion. The recent spread of Sufi-type and New Age religiosity among some well-to-do Tehranis largely reflects a reaction to, and subversion of, state Islamization. In a sense, it signifies a modernization of the religious sphere in today’s Iran.

For under the Islamic Republic, Tehran—and by extension the country as a whole—has paradoxically grown more modern. This rather tortured modernity is expressed in high literacy rates, growing urban individuality, the decline of the *mahalleh*, the extension of a modern public sphere, trends towards apartment living, and the increasing autonomy and public visibility of women. These developments tend to subvert theocratic rule. Thus while the Islamist authorities impose the *hijab* on women, many respond by turning it into a symbol of fashion; the regime coerces young people into adherence to official Islam, but they turn religious rituals into opportunities for socializing; the government pushes people to watch only state television, but satellite dishes sprout from the rooftops like uncontrollable weeds. It is ironic but not surprising that this capital of ‘moral virtues’ now houses 400,000 drug addicts, 200,000 prostitutes and over 4.5 million victims of depression.³⁸ A mode of government that devotes so much attention to the corporeal disciplining of its citizens is bound to be susceptible to the undermining influence of their everyday actions and attitudes. It will have to undo this modern Tehran—plural, contested, alive, changing—or else rule by clubs, cameras and checkpoints.

³⁷ *Radio Farda*, 23 July 2010.

³⁸ Nazanin Kamdar, ‘Amarhaa-ye Takan-dahandeh az Paytakht-e Keshvar’, *roozonline*, no. 1202, 7 Tir 1389 (29 June 2010).

Books to inform from Cornell

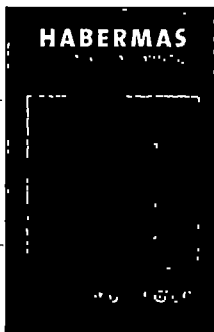
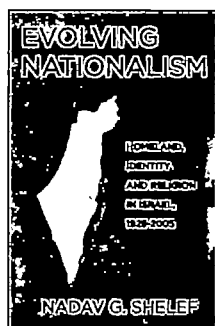


"Fainstein's commitment to social justice shines through this work, and she provides a challenging approach to evaluating urban development projects from this perspective."

—PATSY HEALEY, NEWCASTLE UNIVERSITY
£19.95 cloth

"Shelef's story about the ideological trajectory of the Zionist right is fascinating, but his analysis reaches far beyond the story and will have an impact on the discipline as a whole."

—IAN S. LUSTICK, UNIVERSITY OF PENNSYLVANIA
£16.50 paper



"This is a marvelously comprehensive and up-to-date analysis of Habermas's intellectual contribution to contemporary philosophy."

—SIMONE CHAMBERS, UNIVERSITY OF TORONTO
£26.95 paper

"Erne's pertinent study of European trade unionism is a sophisticated, nuanced examination of organized labor's attempt to create a transnational democracy in the EU."

—CHOICE
£14.95 paper



CORNELL UNIVERSITY PRESS

Available from HBI International (tel: 0 1752 202 3011)
Trade Enquiries to UPK1 (tel: 0 117 902 0275) • www.cornellpress.cornell.edu

INSIDE CHINA'S GRAND STRATEGY

THE PERSPECTIVE FROM THE PEOPLE'S REPUBLIC



YE ZICHENG

EDITED AND TRANSLATED BY STEVEN I. LEVINE AND GUOLI LIU

“A comprehensive, balanced, judicious and well-argued
Chinese analysis of China’s place in the world.”

—Barrett L. McCormick, author of
What if China Doesn't Democratize?
Implications for War and Peace

THE UNIVERSITY PRESS OF KENTUCKY

800.537.5487

KentuckyPress.com

Receive 20% off when you use the code P320

ISBN 0 8131 2404 6

SVEN LÜTTICKEN

PLAYTIMES

IN MODERN CULTURE, the element of play has long constituted a problem.¹ Associated with either the past or a possible future, it often appeared as an anachronism. The 19th-century bourgeoisie, for example, relegated play to the past by identifying it almost exclusively with children, in a sphere increasingly separated from 'proper' social life. Ernst Haeckel's famous 1866 law, 'ontogeny recapitulates phylogeny', was but one manifestation of a tendency in that period to construct parallels between the lives of individuals and those of the species; to relegate play and games to the sphere of the child was perhaps also to suggest a parallel in human history, to associate them with an earlier stage in the development of civilization. When the 19th-century German educator Friedrich Fröbel stated that 'play at this time is not trivial, it is highly serious and of deep significance', the implication was that at other times—in life after childhood—it is indeed trivial.² Its only function was as preparation for adulthood. Play and games had to be educational and constructive, readying boys and girls for their later respective roles, necessitating clearly distinct toys for each gender.

Bourgeois moralists saw the less segregated sphere of the child among the working classes, on the other hand, as a dangerous admixture. Workers were seen as engaging in crude, bawdy behaviour and in highly suspicious games of chance, rather than in the one kind of game that would be beneficial to them: namely, organized sports. But for Johan Huizinga, in modern sport, with its emphasis on competition, professionalism and profit, 'the old play-factor has undergone almost complete atrophy'.³ Huizinga was one of a number of thinkers who, either looking back nostalgically or announcing a new played future, criticized modern society for having abandoned play. While there may have been some compensating developments outside of sports, for Huizinga nevertheless 'the sad conclusion forces itself upon us that the play-element in culture has

been on the wane ever since the eighteenth century, when it was in full flower. Civilization today is no longer played.⁴

While Huizinga has long held sway over cultural analyses of play, in recent years the rise of 'game studies' has resulted in something of a paradigm shift. Play, so long alien to the way in which modern society conceived of itself, has now become embedded in computer games, which constitute a bigger industry than Hollywood. Does this signal the obsolescence of older theories of play? Perhaps the very fact that these now look increasingly anachronistic gives them contemporary relevance: they may provide pointers for thinking and acting beyond the limitations of actually existing games.

Playing with beauty

If theory arrives on the scene once a phenomenon begins to lose its formerly self-evident character, it should come as no surprise that the modern theory of play has its origins in the moment when, according to Huizinga, the play instinct had begun to wane. While Friedrich Schiller's fifteenth letter from the *Aesthetic Education of Man* did not give such a stark diagnosis of the present, his notion of play already straddled past and future—between the artistic heights of ancient Greece and a projected humanity mandated by reason—leaving the present as a divide to be bridged. Schiller posited a 'play instinct' that is the synthesis of two drives existing in a dialectical tension: the 'sensuous instinct', which seeks immersion in sensuous and temporal life, and the 'formal instinct', which seeks to extract timeless ideas from the plenitude of life. Beauty can be neither pure life nor pure form, neither philosophical idea nor artistic abstraction. True beauty only exists due to the play instinct, in which man freely exercises his faculties in a dialogue with the world of the senses. It is only thus, in the resulting unity of reality and form, of the accidental and the necessary, of suffering and freedom, that man is truly complete. This was an aesthetic along Kantian lines: as in Kant's third *Critique*, it is the task of beauty to reconcile reason and

¹ A version of this text was given as a lecture at the University of Groningen, on the invitation of Eric de Bruyn, to whom I am indebted for many stimulating exchanges.

² Quoted in Maaïke Lauwaert, *The Place of Play: Toys and Digital Circles*, Amsterdam 2009, p. 46.

³ Huizinga, *Homo Ludens: A Study of the Play Element in Culture*, Boston 1955, p. 198.

⁴ Huizinga, *Homo Ludens*, p. 206.

the senses.⁵ But departing from Kant, for Schiller beauty was rooted in play. 'The object of the play instinct, represented in a general statement, may therefore bear the name of *living form*; a term that serves to describe all aesthetic qualities of phenomena, and what people style, in the widest sense, *beauty*.'⁶

Stating that man only plays when he is fully man, and that he is only fully man when he plays, Schiller claimed that this insight would at once carry both the whole edifice of 'aesthetic art', and that of the even more difficult 'art of life'. Such a proposition, he argued, was unexpected only for philosophers; it had been alive in the minds and the art of the ancient Greeks. Schiller's text called for a project of aesthetic revolution that would avoid the violence done by the 'mechanical artists' of the French Revolution, wedding the *Gestalten* of reason organically to the material and sensuous world so as not to 'injure the manifold in nature'. It is easy to see that such a project, meant to put the revolutionary transformation of society on a sure footing and complete it, could become an ideological alternative to political change; the 'aesthetic revolution' as a stand-in for the political one, rather than its fulfilment.

In Antiquity, the play drive had manifested itself in the Olympic Games, which came close to realizing the ideal:

No error will ever be incurred if we seek the ideal of beauty on the same road on which we satisfy our play-impulse. We can immediately understand why the ideal form of a Venus, of a Juno, and of an Apollo, is to be sought not at Rome, but in Greece, if we contrast the Greek population, delighting in the bloodless athletic contests of boxing, racing and intellectual rivalry at Olympia, with the Roman people gloating over the agony of a gladiator. Now reason pronounces that the beautiful must not only be life and form, but a living form, that is, beauty, inasmuch as it dictates to man the twofold law of absolute formality and absolute reality. Reason also utters the decision that man shall only *play* with beauty, and he *shall only play with beauty*.⁷

For Schiller, the life of the gods on Mount Olympus as seen in Greek art was really the utopian vision of a true aesthetic life of play. Neither subjugated by the laws of nature and necessity nor by a moral law, the god lived a truly free and carefree life. Sculptures such as the Juno Ludovisi could give a glimpse of it; they were perhaps the true reflection of the

⁵ See letters 12–15 in Friedrich Schiller, *On the Aesthetic Education of Man* (1794), New Haven 1954.

⁶ Schiller, *Aesthetic Education*, letter 15.

⁷ Schiller, *Aesthetic Education*, letter 15.

highest form of play. There was, then, a distinction between actual games as part of the 'art of life' (Olympia) and the sovereign play of 'aesthetic art' (Olympus). And yet Schiller faulted the Greeks for only being able to envisage the triumph of play in an oneiric, mythical form: the Greeks 'removed to Olympus what ought to have been preserved on earth'. He seemed to demand that the 'art of life'—the heavenly vision of Olympus—be realized on earth. This realization would transcend the limitations of forms such as the Olympic Games. Olympia was revealed to be only an impoverished stand-in for the true art of life.

Schiller almost pushed his romantic return to an idealized past to the point where it became an avant-garde project; he put such emphasis on the interconnection between the fine arts and the art of life that one may well have drawn the conclusion that the Greeks ultimately failed by projecting their highest ideals onto Mount Olympus, and that we should go beyond them by taking Olympus down to earth. While the Olympic Games present an ideal of actual game-activity far superior to modern games, they nonetheless limited the play impulse by imposing rather rigid rules on living form. Schiller thus introduced the *topos* of the fundamental inadequacy of actual games; of their betrayal of the ideal of play.

In 1838 August Cieszkowski offered an important early critique of Schiller's theory in his *Prolegomena zur Historiosophie*, which effectively positioned itself as a philosophical synthesis of Schiller and Hegel. Cieszkowski argued that Hegel had been wrong to place philosophy (his own philosophy) at the apex of history. It was true that Hegelian philosophy represented the culmination of the modern, Germano-Christian era, but this was only the second of three dialectically evolving historical periods: there was one still to come. In classical antiquity, art had been the appropriate manifestation of *Geist*, as the first reconciliation of Spirit with nature; but this reconciliation was still outward and accidental, immediate. In the transition to Christian culture, what was underdeveloped in the antique reign of beauty came to be emphasized: mediation, which is to say, reflection. Thus the reign of philosophy was inaugurated, and art started to wane. This, Cieszkowski argued, is why Schiller was ultimately wrong to think that classical antiquity can still serve as a model. We cannot regress to a true aesthetic state; we have, as it were, been permanently infected by reflection. 'Beauty has become truth, the artistic life of mankind has been absorbed into its philosophical idea.'⁸

⁸ August Cieszkowski, *Prolegomena zur Historiosophie* (1838), Hamburg 1981, p. 91.

However, in Cieszkowski's tripartite system, the thesis (classical art: the concrete, sensuousness) and the antithesis (modern philosophy: abstraction, reflection) have to be followed by a future synthesis. This is where political radicals, including the young Marx, pricked up their ears. If art and philosophy are each a different synthesis of being and thought, which in the case of art is dominated by being, and in the case of philosophy by thought, then the third and higher synthesis will subsume both under the act (*Tat*), which is to say: art and philosophy will both be subsumed under a new praxis, and be thereby realized on a higher level.⁹ In this way, Cieszkowski transformed the Hegelian notion of the end of art: in its highest sense art has come to an end, but so has philosophy, and both will return transformed—as lived praxis—in the acts of what is both lived art and lived philosophy. Even though he was not a political radical, Cieszkowski considered the works of utopian socialists such as Saint-Simon and Fourier to be indicative of the beginning of this new era.¹⁰

His critique of Schiller notwithstanding, Cieszkowski sounded a decidedly Schillerian note when he discussed the status of art in the third phase of Spirit. If the new praxis was to put the philosophy that dominated the second phase into action, it would also herald a return to Ancient Greece by replacing the artificial life (*künstliches Leben*) that dominated the Germano-Christian world with a true art-life (*Kunstleben*).¹¹ This return, however, would involve a step forward: the new culture of the *Tat* will effect the reconciliation of nature and reason by elevating and transforming nature. Cieszkowski's notion of the act is rather voluntarist; the act is an expression of a will, and its result is the practical realization of thought. He paid little attention to the act as a leap that produces *Tatsachen* unforeseen by theoretical thought. It is here that the discourse on play instigated by Schiller can supplement and transform Cieszkowski's idealism.

Every man a mad king

A dialectic between Schiller's notion of aesthetic play and Cieszkowski's theory of the act returned in new forms in the post-war era, traversing and animating the practices of the artistic avant-gardes of the 1950s and 60s. This was a period when the moment seemed to have come for play

⁹ Cieszkowski, *Prolegomena*, pp. 106–22.

¹⁰ Cieszkowski, *Prolegomena*, p. 146.

¹¹ Cieszkowski, *Prolegomena*, p. 144.

finally to divest itself of its anachronistic traits; when the playful future seemed about to become present. From the 'happenings' initiated by artists such as Allan Kaprow to Fluxus events, a 'ludic turn' took place in the 1960s. Consciously or not, this amounted to a reactivation of Schiller's notion of a radical art of life, conceived in terms of play, and in this context, the Schillerian tension between play as ideal and the reality of existing games returned in new forms. When Kaprow extolled 'play as inherently worthwhile, play stripped of game theory, that is, of winners and losers', he was only partially describing an actual practice. Specific performances or events were and could only be approximations of the ludic ideal of 'free play'.¹² The happening, like the Fluxus event, is best seen perhaps as a missed encounter, a failed realization the significance of which lies ultimately in its non-identity with its own ideal.

The early Situationist International fully participated in this ludic turn, yet Guy Debord and his allies increasingly became critical of its neo-Schillerian, idealist overtones; in this context, Debord returned to Cieszkowski's critique. While conservatives such as Huizinga mourned the waning of play, the Situationists sought to revive and radicalize it. But they also looked back to the past, discovering models for the free play of the future in the seventeenth-century *précieuses* or King Ludwig of Bavaria's fantastical Neuschwanstein castle.¹³ In his oneiric architecture, Ludwig had abandoned all modern conceptions of functionalism—the attack on the 'idol of utility' is another Schillerian motif—and in the process had transformed his whole life into play.¹⁴ Spanning an arc from Neuschwanstein to the 'New Babylon' envisioned by Constant, across the desert of the present, the Lettrist and Situationist internationals in the late 1950s effectively posited a future in which everyone would be a Mad King. This would be the culmination of the 'massification' of the *homo ludens*, as Constant would later put it.¹⁵

For Huizinga, play and games were intimately bound up with 'primitive' rituals, involving the consensual creation of temporary situations not ruled by normal behaviour; play is inherently distinguished from, and contrasted with, everyday life. The Situationists around Debord, on the

¹² Allan Kaprow, 'The Education of the Un-Artist, Part II', in *Essays on the Blurring of Art and Life*, Berkeley 1993, p. 121.

¹³ See Debord and Gil Wolman, 'Pourquoi le lettrisme?', and Debord, 'L'architecture et le jeu', both in *Guy Debord présente Potlatch (1954-1957)*, Paris 1996, pp. 179, 157.

¹⁴ Schiller, *Aesthetic Education*, letter 2.

¹⁵ Constant, 'Définitie's [sic]', in *New Babylon*, The Hague 1974, p. 29.

other hand, rejected this opposition, arguing that free play was doomed to remain an illusion under the present conditions of capitalist society. If *homo ludens* was to become a historical reality, these conditions had to be changed, by means of a genuine revolution that would transform the whole of life. Roger Caillois had devoted great care to creating a classification of games, differentiating between games of competition, of chance, of vertigo and of mimicry.¹⁶ But the Situationists were not content with adding to one or more of these categories: rather than focusing on formalized games, they sought to set free *play as such*, with the rules being moral and thus unhindered by formalism and formality. Debord proudly claimed that the *dérive* announced a future culture of free play, in which the 'play-element' was no longer contained in definite games with their arbitrary rules, but takes over culture—becoming its foundation, its rules becoming those of a free life.

In the face of the ludic rhetoric of the early 1960s, the Situationists—firmly in the grip of the Debordian faction from 1962—were increasingly wary of overt playfulness, as they subjected the possible means for effecting a revolutionary transformation of society to an ever more intense scrutiny. Did *dérives* or 'constructed situations' such as the labyrinth planned for Amsterdam's Stedelijk Museum really contribute to the creation of a new life?¹⁷ Were they not in danger of becoming stand-ins for goals the actual achievement of which was continuously deferred? *Le grand jeu* was, after all, history itself, and the historical subject 'can be nothing other than the self-production of the living—living people becoming masters and possessors of their own historical world and of their own fully conscious adventures.'¹⁸ As such, this *vivant* becomes the collective subject of history—the revolutionary proletarian class. The revolution was to be the crucial move in the dialectical game of history—a game that affirms time, historical time and its 'qualitative leaps, irreversible choices and once-in-a-lifetime opportunities.'¹⁹

Automation for the people

In contrast to the *grand jeu* of history, the danger of particular happenings and events was that they risked suggesting that society could effortlessly

¹⁶ Roger Caillois, *Man, Play and Games* (1958), Urbana/Chicago 2001.

¹⁷ Negotiations between the Situationists and the Stedelijk foundered in early 1960.

¹⁸ Debord, *La Société du Spectacle* (1967), Paris 1992, p. 70.

¹⁹ Internationale Situationniste, *La Véritable Scission dans l'Internationale* (1972), Paris 1998, p. 47.

slide into a ludic state, a triumph of Schiller's 'play instinct' in the form of a pastoral 'art of life' that did not require a revolution. Within the early Situationist International it became increasingly clear that Constant's position was similar. In 1959, he characterized the Situationists as '*explorateurs spécialisés du jeu et du loisir*', and in another text he added: 'the reduction in the work necessary for production, through extended automation, will create a need for leisure, a diversity of behaviour and a change in the nature of the latter.'²⁰ If there had hitherto been no historical basis for positing the image of a free man who would no longer have to struggle for his existence, technological developments would finally create a culture in which 'every reason for aggression has been eliminated', and 'activity becomes creation'. These developments would necessitate the construction of 'New Babylon', his utopian mega-structure for a future *homo ludens* freed from the need to work.

While New Babylon was first developed within the Situationist International, there were irreconcilable differences between Constant and Debord, with Constant advocating an exclusively cultural revolution on the basis of the complete triumph of capitalism. To some extent the earlier Debord shared Constant's enthusiasm for automation, arguing in a text from 1957 that the Situationist perspective on the game 'is obviously linked to the continual and rapid increase of leisure time resulting from the level of productive forces our era has attained'.²¹ But in the 1960s, in a dialogue with *Socialisme ou Barbarie* and in particular with Daniel Blanchard, who was writing under the pseudonym Pierre Canjuers, Debord came to criticize what he regarded as a dependence on 'actually existing automation' for projections of the future. Whereas Constant and others tended to present automation as a liberation from work, Debord and Canjuers contended that in automation workers are dominated by machinery, and that what was needed was:

the development of new technologies designed to ensure the workers' domination over the machines. This radical transformation of the meaning

²⁰ Constant, 'Le Grand jeu à venir' (1957), in *Guy Debord présente Potlatch*, p. 289; Constant, 'Une autre ville pour une autre vie', in *Internationale Situationniste* 3, December 1959, p. 39. Post-war discourse on automation had already been pre-figured in the mid-nineteenth century, when a number of authors promised their bourgeois readers a bright, proletarian-free future, courtesy of technology.

²¹ Debord, 'Rapport sur la construction des situations et sur les conditions de l'organisation et de l'action de la tendance Situationniste Internationale' (1957) in *Textes et documents situationnistes* (1957–1960), Paris 2004, p. 18.

of work will lead to a number of consequences, the main one of which is undoubtedly the shifting of the centre of interest of life from passive leisure to the new type of productive activity.²³

It was not a matter, therefore, of taking the growth of 'leisure' for granted and filling it with play, or of Situationist 'specialists' devising new ways for people to spend their time.

For Debord, the problem was not so much that work needed to be abolished in favour of play, but rather that it needed to become part of a continuum of human activities that would take on the form of play. While the transformation of work 'does not mean that overnight all productive activities will become in themselves passionately interesting', the aim should be 'to work toward making them so, by a general and ongoing reconversion of the ends as well as the means of industrial work'. In such a society, 'all activities will tend to blend the life previously separated between leisure and work into a single but infinitely diversified flow. Production and consumption will merge and be superseded in the creative use of the goods of the society.'²³ Ironically, the last sentences, which are meant to describe an alternative to capitalism rather than a new phase in its development, are perhaps the closest that Debord ever came to describing what has come to be termed post-Fordism.

Today, play has become a key component of labour in the 'creative industries'. Publicity about the Googleplex, Google's headquarters in California, emphasizes the presence of ping-pong tables and other 'playful' elements. The fundamental transformations in advanced capitalism since the 1960s seem to echo the ludic turn in art, as developments which reconfigured art in terms of playful activity were soon integrated into popular culture in simplified and commodified forms. Eventually, as Luc Boltanski and Eve Chiapello have argued, a focus on 'creativity, reactivity and flexibility' seeped into the management texts of the 1990s, as radical elements were appropriated by capitalism.²⁴ However, this does not mean that we should—in the manner of Peter Bürger—condemn the neo-avant-garde wholesale. A recent 're-imagining' of

²³ Debord and Canjuers, 'Preliminaries Toward Defining a Unitary Revolutionary Programme' (1960), in *Situationist International Anthology*, Berkeley 1981.

²³ Debord and Canjuers, 'Preliminaries'.

²⁴ Luc Boltanski and Eve Chiapello, *The New Spirit of Capitalism*, London and New York 2005, pp. 3–101.

a 1960s Kaprow piece suggests a more complex narrative than one of complete assimilation.

In the 2007 Van Abbemuseum Kaprow retrospective, one space contained a new version of the artist's 1963 *Push and Pull: A Furniture comedy for Hans Hofmann*. The original, made for a show of works by former students of Hofmann, consisted of two furnished rooms which visitors could re-arrange; the new version consisted of a space with coloured exercise balls to sit on while watching videos; the balls would sometimes roll into the next space, dubbed an 'agency for Action'. This was an office space in which one could find, for instance, photocopied instructions for happenings. With its generic office look and aura of administrative aesthetics, with a hint of Googleplex via the exercise balls, this space seemed singularly inappropriate and jarring. But perhaps this quasi-corporate version of Kaprow's piece is in fact an apt actualization, acknowledging both the work's dated historical status and the historical potential it may still hold, encapsulated in the scores for happenings, hinting at a free play never to be exhausted by any of its realizations.

Game controllers

As a quasi-ludic work environment, the Googleplex exemplifies the contemporary integration of play into 'algorithmic machines'—an integration that goes beyond video games.²⁵ Playing becomes gaming; the post-war 'game theory' associated with cybernetics and military research has won out over the neo-avant-garde's 'free play', even if the former sometimes dresses itself in the latter's garb. In the late 1940s and 1950s, theorists of cybernetics such as Norbert Wiener not only analysed communication between humans, between machines, and between humans and machines as fundamentally homologous processes; they also presented communication as a form of control, and vice versa.²⁶ It is no coincidence that it was in the context of cybernetic research that modern game theory was formalized. If the Situationists demanded new forms of play that could not be contained by any fixed set of rules, game theory was very much dependent on such rules, on the permutations of a limited set of options, and on the analysis and development of strategies depending on feedback in this circumscribed field—feedback in the

²⁵ Alexander Galloway, *Gaming: Essays on Algorithmic Culture*, Minneapolis 2006.

²⁶ See for instance Norbert Wiener, *The Human Use of Human Beings: Cybernetics and Society*, Boston 1950, pp. 16–8.

form of moves made by an opponent who may or may not be human. Wiener noted that 'there are in existence government agencies bent on applying [the theory of games] to military and quasi-military aggressive and defensive purposes.'²⁷ The development of flight and fight simulators would become an essential element of this project, the 'civilian' offshoots of which help transform technology and culture.

Constant, who had read Wiener, characterized the computer as the 'slave' of the new society. In 1968, a final model for New Babylon included blinking lights and speakers, and although those had to be operated manually, it suggested an environment shaped by the interaction between humans and advanced machinery. Two years earlier, a life-size 'test space' for New Babylon had been created in Rotterdam, with rooms that included a crawl space, a 'sonorium', large metal scaffolding, a labyrinth of doors (an idea adapted from the Situationists' plan for the Stedelijk Museum in 1959) and an 'odoratorium'. Because Constant and his team were anxious for feedback from visitors, they provided a wall on which comments could be scrawled as well as a table with questionnaires and phones that could record spoken comments. In this rather technocratic set-up, play was a matter of planning. When, in 1973, Constant looked back on this experiment, he stressed the need to give the out-of-work subject of the future something to do, and this something could only be the exploration of a dynamic, perpetually changing environment. In the end, Constant's depoliticized version of Situationist play collapsed into cybernetic control.²⁸

The second half of the 1960s saw an increasing contestation of cybernetics as dominant discourse—even though the long-term nature of many large cybernetics-inspired 'art and technology' projects meant that they only came to fruition around 1970–71, when the cultural climate had turned hostile towards them.²⁹ In 1964–65 Debord and the Situationists waged a campaign against the cybernetician Abraham A. Moles, who stood for everything that had to be fought: a culture of specialists of control, of tweaking and refining the system through orchestrated

²⁷ Wiener, *Human Use*, p. 181.

²⁸ Mark Wigley, *Constant's New Babylon: The Hyper-Architecture of Desire*, Rotterdam 1998, pp. 63–5.

²⁹ See *Artforum's* two highly critical reviews of the 1971 *Art & Technology* show at the Los Angeles County Museum of Art, Jack Burnham's 'Corporate Art' and Max Kozloff's scathing 'The Multimillion Dollar Art Boondoggle', in *Artforum* X, no. 2, October 1971, pp. 66–76.

feedback.³⁰ If Constant and the expelled Scandinavian Situationists favoured evolution, their approach risked being complicit with managerial cybernetics; Debord hence pushed the project of a revolutionary leap beyond the present system, a move not within the game but off the playing field, off the board altogether.

Elaborating on and detouring Foucault, Deleuze famously contrasted the 'disciplinary societies' of the nineteenth and early twentieth centuries with the more recent formation he dubbed—taking a cue from Burroughs—'the society of control'. In this society, which is crucially dependent on information technology, rather than simply abolishing work, automation has transformed it. We play while we work and vice versa. If the relationship between play and discipline is one of latent or active antagonism, play and control form an easy alliance. Play demands active involvement, not passive submission; we are continuously prompted to offer feedback, to get involved—in politics and online stores, in museums and the workplace. Game theory has draped itself in the rhetoric of free play, promising the liberated time of play in the feedback of cybernetic games.

Though the discourse of cybernetics may long since have been relegated to limbo, the contemporary society of control is cybernetics in action. It is not the Situationist theory and praxis of play that has shaped society but the game theory that developed in the sphere of cybernetics. This was connected from the start to questions of military strategy and to the development of technology offering new ways to simulate or play military conflicts. For example, the Cathode Ray Tube Amusement Device, an early precursor to the video game patented in 1948, simulated missile attacks and was based on Second World War radar displays. The nexus between gaming and war remained a constant feature as the video-game's popularity increased exponentially, and was further strengthened by the spread of home computers and leaps in processing power. Now the boundaries between the conduct of war and role-playing games have become increasingly blurred: the US drones hitting villagers in Yemen, Pakistan and elsewhere are controlled with a joystick from bunkers far removed from the battlefield, which for one set of combatants appears only as a digital image. In his two-channel video projection *Immersion* (2009), Harun Farocki explores these connections, following the demonstration

³⁰ See inter alia 'Correspondance avec un cybernéticien', in *Internationale Situationniste* 9, August 1964, pp. 44–8.

of software that allows traumatized US soldiers to relive battle events—the simulation of war serving both as training and as therapy.

It is not only crucial to go beyond analyses of ‘really existing games’ that affirm their horizon; it is equally important to go beyond abstract celebrations of the ludic. Contrary to Constant’s rhetoric, play in itself is not progressive, let alone revolutionary. There are far too many ‘*explorateurs spécialistes du jeu et des loisirs*’. There are also far too many people and products dubbed ‘game changers’; yet that debased term does suggest what is needed, and what its use and abuse seems designed to prevent. How can one bring out the antagonisms that are so carefully managed by the games of control, with their continual adaptations and adjustments? How to unravel ‘the link between participation and control’ that, as Marina Vishmidt argues, ‘extends into the nature of contemporary work, transformed by decades of de-regulation and flexible production schedules, not to mention the hegemonic advance of the “creative industries” into a landscape in which participation and exploitation cannot be separated practically or theoretically’? Vishmidt points out that

the rise of self-employment and short contracts, in the most menial rungs of the service sectors . . . ensures that exploitation becomes as fragmented and individualized as the conditions of work themselves, and antagonism between the goals of workers and capital becomes something quite abstract, dissolving into meaninglessness.³¹

If materialist critique is rightfully suspicious of many claims made for contemporary capitalism under monikers such as post-Fordism and immaterial labour, in both its celebratory and critical versions, it would be a mistake to cast all this aside as mere illusion. It is comparatively easy to deflate claims about the importance of creativity and play in post-Fordist production, but such ideological constructs exist in a complex relation with shifting economic and social conditions. A recent television commercial for a German telecom provider has office workers and managers absconding from the office, enjoying a holiday out in the open, because they can effortlessly access their email. The message is clear: work becomes play. Or is it the other way around? ‘Free time’ or leisure was always dedicated to restoring the workers’ faculties, keeping them fit; now, as the boundaries erode, people procrastinate on the internet in their office and work on their ‘own’ time,

³¹ Marina Vishmidt, ‘Once Again on the Idea of Systems’, talk given at Künstlerhaus Stuttgart, 22 May 2009.

integrating themselves ever more playfully and completely into scripts written for them, in which open-ended interactive possibilities mask a predetermined general direction.

As the number of industrial jobs decreases in the West, ideological notions such as that of the 'creative industry' suggest the possibility of a new wave of accumulation; but as Gopal Balakrishnan argues, we may in fact witness neoliberal wealth redistribution from bottom to top in what is increasingly a stationary economy.³² In this context, the rhetoric of creativity and playfulness legitimizes unprecedented disparities in income between the underprivileged and the most successful of global 'players', whose incomes and bonuses supposedly reflect their unique, highly individual skills. On the other hand, there is a reserve army of 'creative workers' who have far less security and, in many cases, a lower income than traditional workers. They are the avant-garde of self-exploitation—the underpaid mirror image of the overpaid few. Since emphasis on creativity and playfulness is perfect for legitimizing ever-increasing inequality in a stationary or shrinking economy, it is not to be expected that recent upheavals signal the end of such discourse.

The game of history

Play has arrived in the present; but what kind of play, and whose present? Despite their differences, Constant and Debord agreed on the need for a different conception and practice of history. History should no longer be imposed on the vast majority of people by a ruling class; rather, life was to become history. As Debord put it, the 'self-production of the living' was the process of 'people becoming masters and possessors of their own historical world', conscious of the historical game. In his more utopian mode, Constant made a similar point: life was to become a series of ludic acts generating other acts.³³ Released from the constraints of conventional rules and allotted pockets of survival, play—as the 'art of life' par excellence—becomes living history.

Strategy came to play an increasingly prominent role in Debord's life and work—in 1974, he stated that the important theoreticians were no longer primarily Hegel, Marx and Lautréamont, but Thucydides,

³² Gopal Balakrishnan, 'Speculations on the Stationary State', in NLR 59, Sept–Oct 2009.

³³ See J. L. Locher, 'Inleiding', in *New Babylon*.

Machiavelli and Clausewitz.³⁴ This strategic turn manifested itself in his Game of War, developed originally in the late 1960s and produced in a limited edition a decade later. This came at a time when video games were making serious inroads into popular culture, even shaping the structure of blockbuster films. But rather than analysing the spectacle's cybernetic turn, Debord made a defiantly anachronistic board game. In spite of the fundamental twentieth-century transformations of warfare, Debord's Game of War harks back to the *Kriegsspiel* table constructed by the Prussian official Georg Leopold von Reisswitz in 1812; elsewhere Debord stated that his game ultimately reflected pre-Napoleonic, 18th-century warfare.³⁵ Playing the Game of War is a strange experience; not particularly engaging as a board game, it becomes a historical game in a different way. If we do not merely see it as a symptom of retreat, a flight from history into historicism, we might say that it operates differently from 'normal', successful games. Going over moves and strategies in an archaic setting becomes a play with history.

The groups Class Wargames and Radical Software have created their own versions and organized public matches of the game. In an online film about the Game of War, Class Wargames states that 'the game of war is the ludic manifestation of class war'. Mimicking the imperatives of commercials and advertisements, the voice-over exhorts the viewer to 'be like Napoleon' and states that every player of the Game of War should study the strategy employed by Frederick the Great during the Seven Years' War—the monarch's focus on good lines of communication being highly relevant for struggles in the 'information society'. In fact, Debord's emphasis on lines of communication may be seen as the one unmistakably up-to-date, 'cybernetic' element of the game.

But perhaps the outmoded elements that Debord introduces into the cybernetic society of control are more valuable than this 'contemporary' ingredient. The digital version of the game created by the Radical Software Group stresses its alterity; it clearly could not be much more different either from 'ego shooter' war games or, as Radical Software Group member Alexander Galloway has stressed, from 'real-time strategy games' and 'swarm games'.³⁶ With their multiple actors and multiplicity

³⁴ Debord, letter to Eduardo Rothe, 21 February 1974, in *Correspondance*, vol. 5, Paris 2005, p. 127.

³⁵ Debord, letter to Gérard Lebovici, 24 May 1976, in *Correspondance*, vol. 5, p. 351.

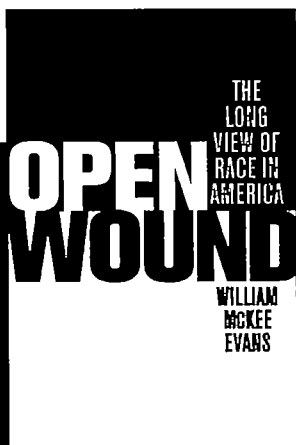
³⁶ Galloway, lecture at Mediamatic, Amsterdam, 25 October 2007.

of events unfolding in real time, such games are far removed from the chess-like sequences of Debord's game, unfolding in an abstract temporality ruled by two commanders who move around the troops of history. In an age of swarming multitudes and of a search for new forms of political agency, this type of game seems irrelevant—and yet, there has been significant interest in Debord's war game in recent years.

Part of the reason may be that playing this anachronistic strategy game suggests that anachronisms themselves may hold a strategic potential. If the aim is to go beyond the present, to create a series of events whose logic breaks the horizon of the current social situation, then anachronistic interventions in the present are vital. In this light, the history of contestation after 1968 has been marked by the search for more precise, more pointed anachronisms—for moves that could indeed have an effect, however marginal or unpredictable, in the multi-player game of history.



UNIVERSITY OF ILLINOIS PRESS



Open Wound

The Long View of Race in America

WILLIAM MCKEE EVANS

"William M. McKee Evans is that rare scholar who writes clearly and well, displays an impressive grasp of the matter facts of his story, and yet can rise above the fray of footnotes to make sweeping and extraordinarily telling historical observations. This book represents the epitome of a first-class career, and it is a most expansive and well-founded work."

—Emmett B. Boyer, author of *Blacks of Power: New Men, New in A Free Story*

"Evans confronts the paradox of democracy against a centuries-old system of oppression." —*The New York Times*

Publishing Excellence since 1918 • www.press.uillinois.edu • 800-621-2736

REVIEWS

Rebecca E. Karl, *Mao Zedong and China in the Twentieth-Century World*
Duke University Press: Durham, NC 2010, \$21.95, paperback
216 pp, 978 0 8223 4795 8

TARIQ ALI

ON MAO'S CONTRADICTIONS

The emergence of China as the world's economic powerhouse has shifted the centre of the global market eastwards. The PRC's growth rates are the envy of elites everywhere, its commodities circulating even in the tiniest Andean street markets, its leaders courted by governments strong and weak. These developments have ignited endless discussion on the country and its future. The mainstream media are essentially concerned with the extent to which Beijing is catering to the economic needs of Washington, while think-tankers worry that China will sooner or later mount a systematic challenge to the political wisdom of the West. Academic debate, meanwhile, usually concentrates on the exact nature and the mechanics of contemporary capitalism in China. The optimists of the intellect argue that its essence is determined by the CCP's continued grip on power, seeing China's pro-market turn as a version of the Bolsheviks' New Economic Policy; in more delirious moments, they argue that China's leaders will use their new economic strength to build a socialism purer than anything previously attempted, based on proper development of the productive forces and not the tin-pot communes of the past. Others, by contrast, hold that a more accurate name for the ruling party would not even require a change of initials—Communist is easily replaced with Capitalist. A third view insists that the Chinese future is simply not foreseeable; it is too soon to predict it with any certainty.

Meanwhile debates also rage about the country's revolutionary past. China has not been exempt from the wider trend that accompanied the

global victory of the American system, in which histories were re-written, monarchism and religion seen once more in a positive light, and any idea of radical change was trashed. Mao Zedong has been central to this process. In the PRC itself, trashy memoirs of the tabloid school have appeared, supplied by Mao's doctor, secretaries, etc.; all very much in the Chinese tradition of 'wild history', otherwise known as gossip. In the West, Jung Chang and Jon Halliday—the former a Red Guard whose Communist parents suffered during the Cultural Revolution, the latter a one-time uncritical defender of Kim Il Sung Thought—joined the fray five years ago with *Mao: the Unknown Story*. This focused on Mao's conspicuous imperfections (political and sexual), exaggerating them to fantastical heights and advancing moral criteria for political leaders that they would never apply to a Roosevelt or a Kennedy. The result of ten years' research, funded by a huge advance from Bertelsmann's Anglo-American operation, this tendentious and in parts fabricated account was presented as unmatched scholarship by publishing and media conglomerates all over the world—the *Guardian* hyping it as 'The Book That Shook the World'. Portraying the Great Helmsman as a monster worse than Hitler, Stalin or anyone else, it was designed to finish Mao off once and for all.

Scholars, however, were generally dismissive of the Chang-Halliday soap-opera script. Some of what it contained had been written about at least two decades earlier, and many of the 'unknown' revelations, where not totally dependent on tittle-tattle, were neither sourced nor proven. Much material was lifted from the archives of Mao's factional opponents in Taiwan and Moscow, and therefore hard to take seriously. Likewise the use of celebrity interviewees whose knowledge of Mao, leave alone China, was limited—Lech Wałęsa being one of many. The sensationalist, denunciatory style was, ironically, reminiscent of the language Mao himself deployed against his opponents during the Cultural Revolution. Further contributions to the demonization literature have followed, including *Mao's Great Famine* (2010) by Frank Dikötter. The best antidote to date is a collection edited by Gregor Benton and Lin Chun, *Was Mao Really a Monster?* (2010), which gathers measured responses by distinguished scholars in the US, UK and China.

And Mao himself? His images are for sale, popular in China and not just with tourists, his ideas on protracted war used frequently for 'guerrilla marketing'. His fate, like that of Che, seems now to be that of a treasured commodity—all that is missing is a Chinese equivalent of the *Motorcycle Diaries*. (Perhaps, unbeknownst to us, Zhang Yimou is working on *The Thoughtful Swimmer*.) Rebecca Karl's important new biography seeks to contextualize Mao within the history of his time, aiming to restore a degree of sanity in discussing his life and role, warts and all, as the father of modern China; and simultaneously to rescue the history of the Chinese Revolution from its detractors in the West and at home. Her model: Lukács's compressed

1924 intellectual biography of Lenin as theoretician and practitioner. Karl's scholarly and readable account is far from uncritical, but she insists that the rise of Mao, Maoism and 'Mao Zedong Thought' cannot be understood without considering the 20th-century world in which these emerged, and taking account of the role played by the imperialisms that presided over China's destiny during the first half of the century. To present Mao as a rootless monster or an amoral country bumpkin is a grotesque distortion of Chinese history. Karl charts the triumph of Maoism and discusses its aftermath with a steely clarity, based on meticulous research and the stubbornness of facts. No amount of re-writing history will make them disappear.

Mao Zedong was born to a well-off peasant farmer in Hunan province, subsequently the site of his celebrated investigation of the local peasant movement. Mao and his two younger brothers were given a taste of peasant life as they transported manure to fertilize their father's paddy fields. The father was a semi-literate boor, neither liked nor respected by Mao from an early age. His mother, very different in character, was a strong-minded woman who instilled in all three sons the idea of improving the world through action. Mao alone was sent to school, where he imbibed the Confucian classics by memorizing them, a style of education common in many parts of Asia then and even now. But it was not until he moved to the provincial capital, Changsha, in mid-1911 that his provincial world-view began to change.

The revolution of October 1911 toppled the Manchu dynasty, and Sun Yatsen declared China a republic. But the country remained fragmented; outside the large cities, warlords dominated the landscape. An attempt in late 1916 by Yuan Shikai to enthrone himself and disband the Republic was defeated. The effect on the intelligentsia and students was electric, radicalizing many, Mao among them. It was at the Fourth Provincial School, a teacher-training institute, that he first encountered thinkers who were engaging with Western political philosophies. The New People's Study Society expanded his intellectual universe and his circle of friends, many of whom would later become CCP militants. Already widely read in the Chinese classics, especially novels and poetry, Mao now moved on towards liberalism via Western philosophy. He was greatly inspired by his favourite teacher, Yang Changji, a philosophy graduate from Edinburgh who had subsequently studied Kant at Heidelberg. By the time Mao graduated in 1918, Yang had been offered a chair in philosophy at Beida (Beijing University). He took Mao with him. The intellectual ferment that had gripped the country since 1911 had shown few signs of abating; disputes between different philosophical currents dominated cultural life in the cities. Cai Hesen, a close friend of Mao's, had ended up in Paris from where he wrote lengthy letters describing the impact of the Russian Revolution on Europe and underlining the links between theory and practice—accounts which helped to radicalize Mao.

Mao secured a job in the library at Beida. Here he met Professors Chen Duxiu and Li Dazhao, the editors of *New Youth*, a widely read radical, literary-philosophical journal that defended science, democracy and internationalism while systematically subjecting Confucian ideas and the servility they encouraged to a sharp critique. The two men had translated some of Lenin's and Kautsky's writings into Chinese, and were clearly moving in a radical direction. The journal defended the Bolsheviks and compared them favourably to some of the local Republican revolutionaries of 1911. It was here that Mao published his first text, on the importance of physical education, in 1917—and it was through Chen's and Li's study circles that he became a communist. Despite Mao's efforts to impress them, according to Karl, 'the only person on whom he made a deep impression was Professor Yang's daughter, Yang Kaihui, who later became his first wife and mother of several of his children.' It was here too that Mao developed his distinctive writing style, often concise and sharp, sometimes lyrical, that was to have a deep impact on the struggles that lay ahead. Though far more poetic than Lenin, Mao's talents as an essayist and pamphleteer were similar to those of the Bolshevik leader.

Mao was no longer in Beijing when the May 4th movement began in 1919. Earlier that year his mother had become seriously ill, and he had moved back to Changsha. Here he was employed as a school-teacher and set up the *Xiang River Review*, unmistakably modelled on *New Youth*. Its tone was strongly anti-imperialist. It was critical of the country's spineless leaders and its sharply worded polemics often hit the mark, resulting in the magazine's suppression by the provincial strongman. Karl points out that the most striking commentaries he wrote in the *Review* were related to the suicide of a local woman, Miss Zhao, in protest against a forced marriage. Mao described the condition of women in society as one of 'daily rape', defended women's emancipation and argued that it could only take place after a complete overhaul of Chinese society—a view echoed by Lu Xun who, responding to the storm aroused by a Chinese production of Ibsen's *A Doll's House* in Shanghai, posed the question: if a Chinese Nora were to leave home, where might she find refuge?

In July 1921, unknown to all except those involved, the Chinese Communist Party was created in Shanghai, a merger of cells that existed in different parts of the country; 12 delegates represented 57 communists. Chen Duxiu and Li Dazhao couldn't make it, but were named as co-founders. Mao represented the tiny cell in Hunan that included his wife. The man from the Comintern who observed and advised them was Maring, a dedicated Dutch Communist (real name: Henk Sneevliet) who had played an important and inspiring role in organizing trade unions in Holland, and had in 1912 moved to the Dutch East Indies, assisting in the creation of what would later become the Indonesian Communist Party. The CCP's founding moment in

Shanghai had little immediate impact, but the comrades returned to their homes determined to recruit workers and intellectuals to the new party. Mao now regarded himself as a professional revolutionary, a foot soldier in the service of the Party and the revolution.

He spent the next year and a half unionizing coal miners and railway and printing-press workers in Hunan, before being summoned to Shanghai to join the Party's Central Committee. In 1924, the Comintern instructed the CCP—over-ruling the Party's own leadership—to merge with Sun Yatsen's GMD. Mao was despatched to Canton to work with the Nationalists, leaving his wife and two young children in Changsha. Her pleadings were of no avail. Mao left his wife a letter in verse:

Waving farewell, I embark on my journey.
The desolate glances we exchange make things worse . . .
From henceforth everywhere I go I'm alone.
I beg you to sever the tangled ties of emotion.
I am now a rootless wanderer.
And have nothing more to do with the whispering of lovers.

Karl is insightful on the disjuncture between Communist theory and practice on the question of women. While the CCP's programme defended the liberation of women, once inside the Party they were confined largely to menial and maternal duties. For many the Party became the substitute for a family. Yang's family was radical, but most women who joined the CCP 'were formally disinherited by their families'. This made their inner-party disappointments more acute. China was not unique in this regard: a similar situation existed in Europe and elsewhere.

In 1925, the outbreak of small peasant uprisings and a large urban strike-wave presented China's Communists with a fundamental choice: to fight alone, to offer a credible political leadership to the new wave of struggles or to tame them by continuing to work within and under the 'left wing' of the GMD? Up to this stage the Comintern had insisted that the Communists subordinate narrow class interests in favour of a united front with the GMD against warlordism and banditry, and in defence of bourgeois democracy. Borodin, a senior Comintern agent (whose character was well drawn in André Malraux's *The Conquerors*) had half-jokingly told the CCP leaders to see themselves as 'coolies' in the service of the national bourgeoisie. Moscow poured in money and established military links with the Nationalists—a course that was to prove disastrously mistaken when the GMD turned against their Communist allies in 1927.

In agreeing to the Comintern strategy Chen Duxiu, the Party's General-Secretary, went against his own political instincts. He did not have the self-confidence or the political strength to resist Moscow, later writing of his

own weaknesses: 'I, who had no decisiveness of character, could not insistently maintain my proposal. I respected international discipline and the majority of the Central Committee.' Might another leader have acted differently? It was the tragedy of the infant CCP that it was never given the time needed to develop its own policies, at a critical moment in the country's history. Even before the Third International—created in Moscow in 1919, against the advice of the far-sighted Rosa Luxemburg—had been transformed into a crude instrument of Soviet foreign policy, it was heavily dominated by the victorious Bolsheviks. The international prestige they enjoyed amongst the oppressed could not substitute for their superficial knowledge of Asia. Sadly, much of what they wrote and said was treated with scriptural deference, regardless of the concrete situation in different countries.

Later, and in relation to the 1927 Chinese debacle, Trotsky would describe the Third International as the 'first bureaucracy of the revolution raising itself above the insurgent people and conducting its own "revolutionary" policy instead of the policy of the revolution.' Whether the 1925–27 Chinese revolution would have succeeded without Comintern interference remains an intriguing counterfactual. Had it done so, the country would have been united against Japanese imperialism, which would have made the occupation difficult, if not impossible, to sustain. This would have had far-reaching consequences, and not only for the Far East.

The Shanghai massacres of 1927, instigated by the GMD's new paramount leader Chiang Kai-shek, led to the virtual liquidation of local Communists and allied trade unions in the city. Politically and militarily disarmed by the Comintern and its own weaknesses, the CCP was now pushed into a sudden change of gear by Moscow, anxious to salvage the situation—partially for internal reasons, as the Chinese question had become embroiled in factional disputes between Stalin/Bukharin and Trotsky and the Left Opposition. Stalin desperately needed a victory, but the insurrections that followed in Canton and Changsha were easily crushed by a united GMD; indeed, the horrific brutalities in the Hunanese capital were carried out by the Nationalists' 'left wing'. The rout of the CCP was now complete. Moscow ordered another change of leadership. Chen Duxiu had already been removed. His successor Li Lisan was dumped in favour of a Moscow stooge, Wang Ming. He lasted four years. The cumulative result of Comintern policies from 1922 onwards is clear: from 1927–32, as Liu Shaoqi reported to the Party Congress in 1945, the revolutionaries had lost over ninety per cent of their membership.

As Karl observes, 'from the very bleak view of 1927, all seemed lost'. How did the CCP, whipped by successive defeats and on the verge of extinction, succeed in liberating the entire country, unifying it for the first time in a century and a half, and transforming its social and economic structure, within little more than twenty years? The Communist victory of 1949

was the result of military and social policies that were set into motion after the defeats of the 1920s, and which marked a sharp break with past practice. Karl describes the flight of Communist cadres from Chiang's White Terror in 1927, and Mao's experiences thereafter in fending off GMD armies through guerrilla warfare. In 1930, after months of hard travelling and fighting, the embryonic Red Army set up base in Jiangxi, establishing what came to be called the Jiangxi Soviet. Here the CCP carried out literacy campaigns among the peasants and encouraged them to reorganize their village and redistribute land themselves. Party policies were to be rooted in 'meticulous analysis of the rhythms and structures of everyday peasant life', in the words Karl uses to describe Mao's 'Xunwu Report' of 1930.

Besieged by GMD forces, the CCP decided to abandon Jiangxi in 1934, starting the famous Long March to Yan'an. It was during the Long March, at the 1935 Zunyi Conference, that Mao's grouping took total power inside the CCP. He would now play a critical role in re-organizing the Party. The new leadership took two key decisions: a move to the countryside to rebuild and recuperate and, in effect, to ignore Moscow in practice while paying lip service in theory. An early test had come before Zunyi when the Comintern, embarking on its Third Period ultra-leftism, proclaimed that a new 'revolutionary high tide' was on its way. The Russian word *pod'em* denoted 'upsurge' or 'advance'. After a great deal of thought and discussion, Zhou Enlai translated it into Chinese as *gao-chao* or 'rising tide'. Mao, in poetic mode, responded in January 1930 with a pamphlet, *A Single Spark Can Start a Prairie Fire*, in which he interpreted the Comintern phrase as follows:

It is like a ship far out at sea whose masthead can already be seen from the shore; it is like the morning sun in the east whose shimmering rays are visible from a high mountain top; it is like a child about to be born moving restlessly in its mother's womb.

The message was obvious. Nothing was going to happen immediately, but passivity in the face of defeat was not an option either. The poor peasants would henceforth replenish the Party, and from their ranks three mighty branches of the Red Army would be created. Apart from the fact that there was no other solution, this long gestation enabled Mao and his comrades to develop support mechanisms in the countryside that would remain for a long time to come. As has already been argued in these pages, these links explain and differentiate the trajectory of Chinese Communism from that of its Russian counterpart.

A unified China had been the big prize awaiting the nationalists and their friends abroad, but the Japanese invasion of 1937 and ensuing brutal occupation had exposed the weaknesses of orthodox Nationalism. A corrupt and collaborationist GMD had discredited itself, Chiang famously comparing

the Japanese occupiers favourably to the Communists: the former were a curable disease, the latter a cancer that had to be destroyed. After 1941, the Nationalist armies began to haemorrhage soldiers and officers to the advancing Communist armies and partisans, under the joint political-military command of Mao Zedong, Zhu De and Peng Dehuai. The strategy Mao had laid out in such texts as 'On Guerrilla Warfare' (1937) and 'On Protracted War' (1938) was reaping rewards. From 1946 onwards, Chiang Kai-shek and the hard core of his demoralized army were pushed southwards, until they fled to Taiwan in late 1949—with the country's reserves and numerous other treasures they had looted from museums and the vaults of the Forbidden City. After two decades in the countryside, the Communists returned to the cities to be greeted as liberators by huge crowds in Beijing, Shanghai and Canton.

As Karl observes, the country the CCP inherited had first been wrecked by the Japanese and later by the civil war: commerce had been destroyed, the national currency was now worthless, a barter economy was taking root. 'Portions of the urban intelligentsia and technologically proficient elites had fled with the GMD, leaving cities without administration and institutions without management.' The decay and defeat of the old order had left behind a desolate countryside, and there was massive unemployment in the cities. The tasks facing Mao and his comrades were enormous. No theory, however sophisticated, can offer a catechism of solutions to deal with such a crisis. The Party-army built by Mao and the cluster around him played a huge part in restoring a semblance of order in the early 1950s. Help from elsewhere was limited: the USSR was itself in ruins, though aid and technicians were grudgingly provided after Mao's first visit to Moscow in 1949–50.

In Washington, Truman and, later, the Dulles brothers thoughtlessly assumed that Mao's victory had strengthened the Communist monolith, and that henceforth China would be little more than Stalin's satrapy. But before the realization of their error dawned, they attempted a costly and risky containment. With UN cover, General MacArthur moved to prevent the Korean Communists from taking power over the whole peninsula, which had been liberated from Japanese colonial rule in 1945. The Communists were driven to the North, and thousands of civilians were massacred in the process. When full-scale war began in 1950, Chinese leaders went to aid the besieged North Koreans. Their help was decisive. Commanded by Peng Dehuai, a brilliant military strategist, the Chinese expeditionary force drove the Americans back to the South, securing the PRC's borders. US military bases, however, remained in South Korea to protect clients, while North Korea survived, mutating slowly into a kind of Stalinist Ruritania.

Karl gives admirably succinct accounts of the main tensions and debates that ran through the Maoist period—the opposition between bureaucracy and revolution, disagreements over developmental paths, relations between

Party, army and masses. Political thought is always at the centre of the discussion. Maoist theory, where it differed completely from Stalinist orthodoxy, could be summarized thus: mass revolutionary consciousness plus mass activity equals self-emancipation and social transformation. It was derived from daily contact with the people during the protracted war against Japan and the GMD. The 'mass line' as argued by Mao privileged 'the masses' in helping to both refine and define theory. The implication was that the masses could overcome all obstacles. This was fine in relation to war—though even here the GMD's defeat would have been unthinkable without the Japanese invasion—but was such a practice possible in peacetime? Can mass activity override the problems posed by material socio-economic structures such as a weak industrial base? Karl rejects the charge of 'voluntarism' that many critics—friendly and otherwise—have levelled against Maoism, preferring to stress the way in which Mao's thought 'reversed the determinations' of orthodox Marxism. But here her case is at its weakest, as the subsequent evolution of China was to reveal.

The Great Leap Forward that led to the 1959–61 famine and the death of at least 15–20 million peasants was certainly the result of voluntarism. In a push for self-reliance, rural areas were partially industrialized in uncoordinated, uneven fashion, while Mao's exhortation to overtake the US and UK in steel production brought forth a rash of backyard furnaces, which withdrew huge quantities of labour from the fields. The awful consequences were unintended, unlike the famines in British colonial times in Ireland and Bengal; but this was no consolation for the families of those who perished. Mao was shaken when he finally heard of the scale of the disaster, but it was too late to do anything by then. How was it that Mao and his colleagues were so easily deceived by fake statistics despatched by pliant Party bureaucrats in the countryside to show that the Great Leap was going well? Karl writes that 'Maoism gone horribly awry was at the root of the problems', but the process through which this took place remains underexplored.

One of the tragedies of world communism was that most of the parties it spawned came of age and became mass organizations during the 1930s and 40s. By this time the early traditions of dissent and debate within the Bolshevik Party had been suppressed and most of their participants—including 90 per cent of those who served Lenin's Central Committee—brutally exterminated. The model that new Communists imbibed was the one they encountered in Moscow: a social dictatorship of the Party/bureaucracy that was master of all public life and sustained by institutionalized networks of repression. This was the system put in place when they came to power or even within parties active in the capitalist and colonial worlds. The stifling of debate weakened both Party and state. Karl documents instances of this within the CCP even before it had taken power, such as the Party Rectification

campaign of 1941–42, which she sees as the ‘beginnings of the Mao cult’. In the 1950s, there were repeated attempts to root out ‘counter-revolutionaries’, most notably in the Anti-Rightist Campaign of 1957–58. However, the post-revolutionary Chinese leadership largely avoided Stalin-style purges and mass killings of their own cadres and members. As Karl observes, ‘unlike the Stalinist purges, where a knock at the door after midnight heralded doom, in Maoist China, doom came through words, in newspapers and wall posters.’ One reason for the difference was that most of the slavish pro-Comintern leaders had already been removed—the last of them defeated by a clash of arms prior to the Long March.

Mao’s version of the Stalinist structure was supposedly based on the collective popular will, aroused by the revolution. But how long can such structures survive without mediations—representative institutions through which different interpretations of the popular will can be discussed and voted upon? This has nothing to do with mimicking the West, but is actually the most efficient and painless method of putting the people in touch with their rulers via elected representatives who are permanently accountable and can be recalled by the electors at any time. Had such a system existed, the famine would not have taken place and the backyard furnaces might have been dismantled soon after the experiment began. What might the ‘popular will’ have said about the mountains of corpses that decorated the countryside after the mass famine?

When the Party leaders eventually gathered at Lushan in late 1959 to discuss the ongoing tragedy, they were in self-critical mode, including Mao. But it was his old comrade from Hunan, Peng Dehuai, who confronted Mao and his commandist methods, which had isolated the Party from the people. For this he was removed from all his posts and exiled; Lin Biao replaced him as Defence Minister. Nonetheless, one important outcome of the calamity—soon exacerbated by the Sino-Soviet split—was that the party leadership effectively sidelined Mao. His revenge came in 1966 when, in characteristic style, he appealed to the country’s youth to ‘bombard the Party headquarters’ with criticisms, to ‘create great disorder under the heavens’ so as to ‘restore order’. The Great Proletarian Cultural Revolution was a striking demonstration of the ‘mass line’. Mao became the god-emperor of the movement, with Lin Biao as his loyal deputy; the Little Red Book became the movement’s only catechism.

The principal aim was to take back power—though Karl also highlights the anti-bureaucratic impulse behind it, as well as the ‘attempt to seize politics—the power of culture and mass speech for revolution.’ Mao had discarded his responsibility for securing an enduring political structure for China and allowed his judgement to be superseded by the passions, emergencies and triumphs of the power struggle. In the process he and

his followers dehumanized their opponents: senior Party leaders, except for Zhou Enlai and Lin Biao, were denounced as 'capitalist-roaders'; Liu Shaoqi was mistreated; Peng Zhen, the once-powerful Mayor of Beijing, and numerous others were publicly denigrated in front of large crowds; Deng Xiaoping was sent to repair tractors in rural Jiangxi. Hysterical children confronted their parents and denounced them as traitors; teachers and professors were humiliated, universities closed down, ancient treasures publicly destroyed; and Mao was back at the helm.

Examples of the mindless militancy and fanaticism of the GPCR are too numerous to recount, but its contradictory aspects are usually underplayed. When I interviewed some ex-Red Guards in Hong Kong, they described how they had felt liberated and had soon moved on from the Little Red Book and read, written and circulated critical texts that challenged Mao and found his works insufficient. Sending urban dwellers to the countryside undoubtedly gave this generation an idea of how ordinary people there lived and worked. Karl emphasizes the exhilarating effect of this new-found mobility on many thousands of young people. Much of this made a deep impact, as films and novels subsequently revealed.

But in the summer of 1967, Mao called in the army to restore order, performing an about-face when the revolutionary upsurge began to pose a threat to the CCP itself. Mao's final years were marked by a series of developments signalling a turn in favour of the 'capitalist-roaders' at home and the 'paper tigers' abroad: rapprochement with Washington and Nixon's visit in 1972, followed by the return of Deng Xiaoping—the cat with many lives—to political office in 1974. These paved the way for the great transformation that was to follow after Mao's death. Karl concludes by exploring the fate of Mao's legacies, hailed in Party ideology but reversed in political and economic practice. She observes that 'only in repudiating Maoism and everything Mao stood for is it possible for the current Communist Party leaders to retain Mao as their fig leaf of legitimacy.' One of the merits of Karl's book is that it permits a serious discussion of all these issues. It will be interesting to see how it is received in China, where the official view is that Mao's achievements far outweigh his mistakes—by a ratio of 70:30, according to the official Central Committee report of 1981. As Chinese capitalism proceeds further, creating even more social and economic disparities, perhaps some of Mao's ideas might be deployed by the insurgent masses as they seek to storm the heavens once again.

Luciano Canfora, *L'uso politico dei paradigmi storici*

Bari: Laterza 2010, €16, paperback

140 pp, 978 88 420 9208 7

ALBERTO TOSCANO

THE SPECTRE OF ANALOGY

The Western world's imagination of historical time seems at present to be pulled between auguries of irreversibility and narratives of stubborn repetition—focusing now on impending ecological collapse, now on a new Great Game that retraces an older geopolitics, or else on the extent to which the current economic crisis will re-run the sequence of 1929–33. The so-called ‘lessons of history’ tend to provide little by way of orientation, at most serving as a series of warning signs. But for all the condemnations and celebrations of postmodern amnesia, the question of the identities and differences between past and present—and of their relevance for political practice and historical research—remains very much on the agenda.

Luciano Canfora's typically erudite exploration of the political use of historical paradigms—that is to say, of analogy as the hinge between politics and history—provides many important elements for rethinking this question. The author of numerous scholarly works on Ancient Greece and Rome, Canfora is possibly Italy's most prominent communist historian, regularly stepping into the breach of public polemic. He is best known in the Anglophone world for his *Democracy in Europe* (English translation 2006), which became the object of sustained controversy when its prospective German publisher refused it, due to its alleged calumny of the achievements of West German liberalism, and its leniency towards Stalinism and the ‘socialist democracies’ of the Warsaw Pact (see NLR 56). In recent years, he has published a series of short essays in which he brings the historian's craft to bear on contemporary events; for instance, *Esportare la libertà* (2007) examined the gulf between the rhetoric deployed and the realities inflicted by states claiming to be ‘exporting freedom’, from Athens and Sparta to the US invasion of Iraq.

In *The Political Use of Historical Paradigms*, Canfora turns his attention to the question of analogy, and its place in historiography and political thought. His approach contrasts with a contemporary trend to see analogy as a representational expedient that stifles singularity and novelty, reinforcing the standardized prejudices of doxa. The ascendancy of philosophical categories such as immanence and 'the event' from the late 1960s onwards is an important dimension of this anti-analogical perspective, much of it inspired by Spinoza—as evidenced in the writings of Gilles Deleuze and Antonio Negri. We might also recall the objections from within the tradition of dialectical thought to the kind of 'picture-thinking' associated with analogical reasoning; in Volume 3 of *Capital*, for example, Marx warned against the misleading and merely 'formal analogy' between the agricultural economies of antiquity and capitalist agriculture, 'which turns out to be completely illusory in all essential points to a person familiar with the capitalist mode of production'.

Against this broad front of critics, Canfora strongly defends analogy's ability to impel transformations in the scale and scope of historical research, all the while underscoring its relativity. For although such parallels can on occasion act as lures away from sober reflection, Canfora sees them as crucial 'bridges between the known and the unknown'; between identity and difference, logical abstraction and lived experience. He cites the German mediaeval historian Josef Engel, who in a 1956 essay declared that 'every historical judgement is an analogical judgement'. Indeed, analogy is an inextricable component of any cognition which seeks to understand and judge phenomena that are not the objects of direct perception. It is a response to the problem of how something distant and long gone is thinkable for us, here and now. In the practice of the historian, this is a two-way process, in which past paradigms are transposed into the present, just as the present serves as the movable frame through which we capture the past.

Yet an analogy's capacities for illumination cannot be neatly separated from its ideological effects. Here, the method of the historian cross-cuts his status as a citizen of his time, and as a participant in that time's struggles. For Canfora, historical comprehension is a partisan affair: 'our judgement on historical facts, especially if expressed in their making, is determined by our understanding of them: an understanding which takes place precisely through the analogy in which we immerse said facts.' Analogy, then, involves a calibration of the degree of identity and difference between now and then; a bad analogy can obscure the singularity of the present by subsuming it under some paradigmatic past, or distort the contours of history through rear-projection of the present.

The volume under review is a revised and expanded edition of a collection of essays, five of which originally appeared in Italian in 1982 as *Analogia e storia*; together with a sixth, these were published in France on the

bicentenary of the French Revolution with a title—*La tolérance et la vertu*—that highlighted Canfora's concern with the political use of the historical paradigms inaugurated in 1789. Indeed, the question of how to think revolutions, historically and politically, is at the heart of the book. In the preface, Canfora spells out how circumstances have altered since the composition of most of these essays: the victory of the West in the Cold War brought with it not only a triumphalist reassessment of the Soviet experience—the years from 1917 to 1989 now bracketed as a 'negative parenthesis'—but also an analogical reappraisal of the October Revolution's French progenitor. To the extent that analogies harbour (political) judgements, struggles over historical meaning are also wars of analogies.

Perhaps unsurprisingly, given his background as a classicist, it is with Thucydides that Canfora begins his explorations of 'analogy as a form of historical understanding'. The Athenian's 'discovery' of the Peloponnesian War of 431–404 BCE serves as a kind of inaugural moment and benchmark. Where previously only discrete conflicts could be perceived, Thucydides saw an underlying unity to the Archidamian and Deceleian Wars, which he revealed by 'digging back', as Canfora puts it, to Athens's earlier imperial ascent and the ensuing frictions with Sparta. It was Thucydides who identified what Canfora glosses as the 'inextricability of fact from subject'; the latter 'finds' the right periodization and names historical developments through an analogical comparison between similar, but hitherto distinct, events.

For the Prussian historian Johann Gustav Droysen, analogy was the historical discipline's 'surrogate' for the experimental approach of the natural sciences. Faced with the obscurity of a past that can only be accessed indirectly, analogies provide shafts of illumination—*Aufklärung*, usually rendered as Enlightenment—originating in similar, but better known, processes that have taken place in comparable conditions. Writing in the 1840s, Droysen was following the lead of Kant, who in reflecting on the impossibility of objective knowledge in theology, had already made an argument for the indispensability of analogy when it comes to supersensible matters, which can only be grasped relationally. As Kant wrote in the *Prolegomena*, analogy 'does not signify (as is commonly understood) an imperfect similarity of two things but a perfect similarity of relations between quite different things'. Droysen put this relational knowledge to work in concrete historical terms when he described the Germans' military resistance to the Slavs in the Middle Ages; since actual sources on how the former 'pushed the latter back' beyond the Saale, the Elbe and then the Oder were scant, he suggested that the process might be understood by analogy with the Roman use of military colonies or the construction of Cossack forts in Turkestan in the 18th century.

This is what the French historian Paul Veyne, in his *Comment on écrit l'histoire* (1971), termed 'retrodiction'. For Canfora, 'from a single analogical

retrodiction or particular statistical induction to the great synthetic vision of a whole age, analogical intuition is the means and at the same time the destination of historical thought'. If we aim to comprehend, which is to say to judge and totalize, we cannot do without contemporary concepts that 'creatively interfere' with the past, though historical inquiry should temper the initial claim of similarity with an inventorying of differences, particularities and novelties. Canfora on several occasions invokes Droysen's much-debated dictum that 'Hellenism is the modern era of the pagan world', as an example of an analogy whose seemingly unscientific generality actually permitted real progress in historical research. Again, the observation is inseparable from the observer: Canfora notes that Droysen's early *Geschichte Alexanders des Grossen* (1833) is permeated by parallels between Macedon and Prussia, each seen as a 'national unifying force' which 'superseded previous state-political forms'. In the second edition of 1877, after unification under Prussia's aegis, the analogy emerges still more strongly, as Droysen views Philip of Macedon's reign through the prism of Baron vom Stein's reforms and the anti-Napoleonic 'wars of liberation'—which Droysen had chronicled in turn in his *Vorlesungen über die Freiheitskriege* of 1846.

Canfora brings Droysen's discovery-invention of Hellenism into contact with Wilhelm Dilthey's account of *Erlebnis*, lived experience, as a necessary ingredient of historical comprehension. Analogy is here, in Canfora's words, the 'offspring of the encounter between the fact under consideration and the accumulation—as vast and rich as possible—in the consciousness of the historian of similar events that come to consciousness and become operative in the moment of interpretation'. But Dilthey's hermeneutic of historical reason finds its limit in an antinomy between the understanding of singular events and the comprehension of their dynamic connection. Having explored the epistemological dimensions of analogy, Canfora underscores the importance for the historian of those analogies which are 'intentional'; those forced identifications—his example is Numenius's view of Plato as an 'Atticizing Moses'—that provide the grounds for historical comprehension. Many such metaphorical analogies are imperfect, and necessarily prone to a perspectival bias. We might think here of John Maynard Keynes's observation that Lenin was 'a Muhammad not a Bismarck', or of some of Canfora's pointed examples: the Russian émigré historian Mikhail Rostovtsev's view of the 1917 Revolution as a repetition of the third-century Roman crisis, driven by conflict between civilized urban strata and a peasant-soldier alliance, or Yuli Martov's related condemnation, later in the 1920s, of the Bolsheviks' 'military praetorianism'. But Canfora underscores the importance of venturing such parallels, citing the French mathematician René Thom: 'either an analogy is true, and thus sterile; or it is audacious, and thus can be fertile. It is only by risking error that one can find something new.'

In his second chapter, Canfora differentiates between 'macroanalogies' and 'microanalogies'. The former expand the scope of historical vision to include hitherto separated phases or events within a broader process. Thucydides's synthesis of the Archidamian and Decelean Wars into the Peloponnesian War is again the founding example, but Canfora also cites conceptions of the First and Second World Wars as a single 'war-peace-war cycle'. (Elsewhere in the book he cites Moses Finley's observation, introducing a volume of Thucydides at the turn of the 1960s, that the substantial unity between World Wars One and Two would help contemporary readers to appreciate Thucydides's diagnosis; 'and vice versa', Canfora adds.) Macroanalogy is a key element in the politics of periodization, driving, for example, François Furet's view of a long French Revolution stretching from the Tennis Court Oath to the fall of the Second Empire. Similar considerations apply to recent debates over the 'length' of the 20th century, but also over Alain Badiou's claim, in *The Communist Hypothesis*, that the current predicament of revolutionary politics most resembles that faced by the young Marx.

But, as Canfora warns, macroanalogies face problems of scale: zoom out to a cosmic *longue durée* and specific historical circumstances will dwindle into insignificance; cleave too closely to discrete events, however, and substantive comprehension is lost. The problem confronting microanalogies is for Canfora embodied in Borges's parable, 'On Exactitude in Science', in which the cartographers of a fictional empire devise a map 'of the same scale as the empire and that coincided with it point for point'. Sympathetic to the forms of microanalogy practised by some of the Annales school—taking the life of one mediaeval village, for instance, as indicative of a vaster reality—Canfora notes that such a procedure is in fact a process of metonymy, which involves an inductive, analogical leap that saves its practitioner from Borgesian absurdity. But excess in either the macro or the micro direction—the latter being, for Canfora, the tendency of a disenchanted postmodern history—both risk dissolving the *sense* of historical inquiry and judgement; and, one could add, depoliticizing history altogether. Turning once again to Thucydides, he concludes that the recounting of particular *erga*—events that constitute the 'atoms of history'—is to be subsumed by an 'oriented narrative' of the process in which they partake, the *polemos*.

But the type of analogy that perhaps most preoccupies Canfora is what his third chapter terms the 'diagnostic analogy'. (His taxonomy is somewhat loose, but one assumes this is a species of macroanalogy, within the broader class of intentional analogies.) The most directly political of the varieties he identifies, the diagnostic analogy seems to be particularly required by the three great revolutions: French, Russian, Chinese. Here the question of analogy not only lies at the core of the relationship between the history of revolutions and revolutionary political commitments; it is integral to the

conceptions of history that underpin revolutions themselves—think of the anecdote of Lenin dancing in the snow to mark the day that the Russian Revolution lasted one day longer than the Paris Commune. Perhaps the most famous of such parallels, of course, is Trotsky's invocation of Thermidor with respect to Stalinism. Here Canfora's own ideological commitments become apparent when he accepts Trotsky's Thermidor analogy, recasting it to mean that 'even after the Stalinist turn, despite everything, the structural, social and economic changes introduced by the revolution were saved'. He goes on to 'give a—certainly not enthusiastic—judgement of partial positivity on the Stalinist phenomenon, as a stabilization on the right of the revolution'. (In similar vein, elsewhere de-Stalinization is likened to the *damnatio memoriae* of the fourth-century Emperor Licinius, and the removal of Stalin's body from the Red Square mausoleum is judged 'tragic' and 'extreme'.)

The entanglement between revolution and analogy is particularly complex and intense, since the former—the French Revolution *in primis*, but also the Russian and Chinese—appears as a kind of singularity, a radical novelty, yet also as a strange admixture of fact and archetype, a model and reference for future revolutions. We could even say that there is an analogy in things themselves, which it is the historian's task to excavate; this analogy *in rebus* is especially evident in those revolutions, post-1789, which explicitly call upon moments, slogans and practices from previous revolts. But the relative autonomy of the political domain frequently also throws up seemingly trans-historical invariants—the role of charisma, the dynamics of power-struggles, rise and fall of leaders and groups, and so on—which render the pull of analogical thought particularly strong.

Canfora asks 'whether revolutions aren't the events that are most thinkable analogically, but whose historiographic image is for that very reason the least satisfying'. For revolutions are also rendered opaque by analogies, such that both historians and revolutionary politicians find it intensely difficult to tease apart their differences and repetitions. The good politician, for Canfora, is the one who can abandon an analogy once it has lost its power to illuminate the present. Conversely, the persistence of an analogy can indicate that 'the terms of the question, the antagonists, not the *dramatis personae* but the forces, remain the same'. Canfora notes here the recurrence of the category of fascism, both as applied to regimes contemporary with that of Mussolini—in Germany, Spain and Eastern Europe—and as deployed after 1945. In the case of De Gaulle, the analogy underwent successive modifications: his rise to power was initially likened by some to a fascist *coup d'état*, then compared more judiciously to that great French analogical figure, Bonapartism, until itself becoming, in the guise of Gaullism, a possible historical model to which contemporary political projects may be compared.

Canfora devotes a chapter to a skillful inventory and dissection of the different analogies at work in François Furet's *Penser la Révolution française*, in which the ultimate fate of the Russian Revolution is described as a 'boomerang' rebounding to strike back at the French 'origin'. Canfora mounts an immanent critique of Furet's revisionist anti-Jacobin and anti-Communist history, while giving him his due as a historian. In particular he emphasises the ambiguities in Furet's uses of periodization. Following Tocqueville's theses on the underlying continuity beneath the flash of events, Furet views the French Revolution as a long one which in several respects proceeded well into the twentieth century. But he also flattens the Russian Revolution onto its Stalinist phase, itself captured by analogy with the Jacobin Terror; and as Canfora notes, Furet says nothing about the White Terror, 'much more systematic and ruthless than that carried out under the Committee for Public Safety'. Canfora himself also opts for the thesis of the long revolution, but in a sense that inverts the valence of Furet's judgements, emphasizing the duration required for revolutionary ideals to be realized in a new political, state, social and ethical order, and the relative inevitability of a coercive phase:

every new order, the result of a revolutionizing of social relations and traditional values, soon reveals itself to be violent and resorts to a self-affirmation through force and coercion, because to most people the old order cannot but appear and often—beyond interest in its conservation—*continues* to appear, as a *natural* order of things. The process whereby a new order comes to be interiorized to the point that it replaces, in common consciousness, the old values, is immensely long.

But once this process has been set in motion, it creates a spiral, as the values of the new order are accepted as natural even by its victims. Hence, in Canfora's view, throughout the nineteenth century, reactionaries attacked not the principles of 1789, but the excesses and crimes of 1793.

While Canfora is sharp and illuminating about analogy's role in struggles over the legacy of revolutions, he becomes less persuasive when he moves onto the problematic that occupies the final chapters of the book—the antinomy between revolutionary equality and liberal freedoms, virtue and tolerance. The discussion centres, firstly, on the uses of analogy in the Cold War conflict between real capitalism and actually existing socialism, and secondly, on the contrast between the virtuous egalitarian politician and the tolerant liberal philanthropist. Attempting to shed light on the trajectory of the Eastern Bloc, Canfora jettisons both the overly capacious category of 'totalitarianism' and the apologist's mechanistic recourse to historical necessity—he borrows the Soviet dissident Vladimir Kormer's term *cliophilia* for this particular pathology. He tests out the idea that the workers' movement bears the same relation to the USSR as Jacobin sympathizers in Europe did to the Restoration; but the discussion then shifts, in somewhat digressive mode, to the liberal Empire

and its contradictions, as Canfora works to undermine any comforting idea of a benevolent liberal world order. He notes that the extension of universal suffrage went hand-in-hand with the degradation of parliament into an instrument manipulated by unaccountable powers, and that 'empire pushes away, but does not extirpate, its contradictions'—exporting them instead to its periphery. Drawing an analogy with the position of inhabitants of the Athenian *polis*, Canfora notes that the working classes of the advanced capitalist world were afforded imperial advantages over the colonial world, and thus persuaded to support the system's continuation.

In the final essay, Canfora sets up a dichotomy between the figures of the politician and the 'philanthropist', who hold fundamentally divergent conceptions of the relationship between reality and action. The politician combines steadfast conviction with a realist estimation of what can be expected of human beings. The philanthropist takes the utopian view that human nature is always open to improvement. Precisely because his eyes are on immediate obstacles to the realization of virtue, the politician tends to subordinate present sufferings to the arduous construction of his political project. His virtuous realism may thus be attacked as a fanaticism: 'one needs a lot of faith to massacre millions of people (for example, kulaks or opponents) and still continue to believe that one is working towards human happiness'. But the philanthropist's tolerant testimony against the politician's coercions and instrumentalizations is itself fraught with danger, since it denies the necessity of political judgement and strategy in favour of a comforting innocence. Both figures are paradoxical and unstable, but in the end Canfora sides with the politician, 'who can understand, even if he often does not share, the reasons of the philanthropist, while the philanthropist, like the utopian, rejects in principle the reasons of the politician'.

Though provocative to the last, the essays in the latter portion of *Political Uses* suffer from their somewhat schematic character. The problem of the historical evaluation of post-revolutionary societies remains frustratingly elusive in Canfora's account, which sheds little light on the actual character of such states, and offers few analogies for the USSR's fate (though elsewhere in the book he does compare Moscow's relations with its Warsaw Pact satellites to those of Athens with its allies). Similarly, the juxtaposition between politician and philanthropist, couched in terms of absolute principles—tolerance and virtue, freedom and equality—rests on an overly mechanistic take on the relation between political principles and the instrumentalities of power. Canfora writes that 'those who have opted for those principles cannot reasonably take leave of them because of their effects, but only through a radical critique that would call into question and reject these principles themselves'. But this only makes sense if we accept the 'cliophilic' view whereby principles and effects are bound by a kind of immanent causality.

Moreover, the opposition Canfora sets up between a possibly hypocritical liberal 'philanthropist' and a politician of virtue seems inconsistent with some of the book's earlier theses. At one stage he underscores the fact that, unlike utopians or moralists, historians such as Thucydides and politicians such as Lenin tended to treat humanity as more or less static, and thus to have a realist estimation of its probable behaviour—meaning also an estimation of the kind of coercion needed to enact revolution. But Canfora's later characterization of the politician as led by the *telos* of equality seems to demand precisely such a utopian take on the possibility of transforming humanity. If human nature is immutable, one may ask, how can one justify subordinating politics to the realization of an end that requires a fundamental revolutionizing not just of social relations, but of human beings themselves?

One possible corrective to the schematic abstraction of the book's concluding chapters could have been for Canfora to have approached these questions not from the angle of a political philosopher, but from what he nicely calls the 'unnatural observatory' of history. This could have brought a fruitful turn from the fleshless personae of the politician and the philanthropist to analogies drawn from the biographies of those who have, for better or worse, embodied principles of action—as, say, in C. L. R. James's portrait of Toussaint, Deutscher's account of Stalin, or Canfora's own rendering of Julius Caesar. It would also have been interesting if Canfora had addressed subsequent scholarship; for example, such works as Arno Mayer's *The Furies* (2000), which draws parallels between post-revolutionary violence in France and Russia. Finally, it is perhaps to be regretted that Canfora left these essays largely unaltered since their composition in the 1980s. There is a tinge of anachronism to much of the discussion, though also much that remains valid today, as in his observation that 'the periphery is no longer a distant world', but is visible in the swelling populations of the world's great cities.

In a coda to *Political Uses*, Canfora muses on the historiographic reflections of the classicist Arnaldo Momigliano, and on the politics of the historian's craft. According to Momigliano, history was not taught in the ancient world—not in Pericles's Athens nor in the Rome of Tacitus. His wry explanation was that the discipline was not important enough, or perhaps not difficult enough. Canfora's diagnosis respectfully reverses these conclusions: history is a 'tormented and troubling vocation', because the historian 'subsists in relation with power: either as its antagonist or as its instrument'. *Political Uses* provides many opportunities to reflect on the political implications of the historian's task, and to wrestle with the significance of the past's identity and difference with the present.

INDEX
ON CENSORSHIP

30 day
subscription
for only 59p!

Valid until 31st
December 2010.



INDEX
ON CENSORSHIP

INDEX
ON CENSORSHIP

INDEX ON CENSORSHIP

VOLUME 39 ISSUE 4

**BEYOND BARS: 50 YEARS OF THE
PEN WRITERS IN PRISON COMMITTEE**

To mark fifty years of solidarity with imprisoned and persecuted writers around the world, English PEN and Index on Censorship are collaborating on a special issue assessing what unique role writers can play in supporting their colleagues around the world

www.indexoncensorship.org/beyondbars
@ indoncensorship # beyondbars

OSAGE